FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

East Asia

FBIS-EAS-92-017
Monday
27 January 1992

Daily Report
East Asia

FBIS-EAS-92-017 CONTENTS *27 January 1992*

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-ASIAN AFFAIRS

Singapore Premier Rules Out U.S. Military Base *[Kuala Lumpur Radio]* 1
  Discusses Issue With Indonesia *[Jakarta Radio]* 1
ASEAN Agrees Not To Form Military Alliance *[Bangkok THE NATION 25 Jan]* 1
Thai Premier Seeks New ASEAN Security Order *[AFP]* 2
  Questions Policy on Burma *[Bangkok THE NATION 26 Jan]* 2
  Reviews ASEAN Trade Issues *[Bangkok THE NATION 26 Jan]* 3
ASEAN To Jointly Promote Agricultural Exports *[Bangkok THE NATION 25 Jan]* 4
Brunei, Indonesia, Malaysia Support AFTA *[Bangkok BANGKOK POST 27 Jan]* 5
Mahathir Convinced EAEC 'Reality' in 5 Years *[BERNAMA]* 5
  Reaches Agreement With Indonesia *[Kuala Lumpur Radio]* 6
Suharto Stresses Implementing EAEC 'Gradually' *[Jakarta Radio]* 6
Aquino Seeks Another Economic 'Growth Triangle' *[BERNAMA]* 7
ASEAN Urged To Press Burma Over Dissident *[AFP]* 7
  EC Seeks Help on Release *[Bangkok THE NATION 27 Jan]* 7
EC Proposes Enhanced 'Dialogue' With ASEAN *[BERNAMA]* 8
Russia Seeks To Broaden Exchanges With ASEAN *[AFP]* 8
Pakistan, India To Enhance Ties With ASEAN *[ANTARA]* 9
Thailand Assures Malaysia on Border Issue *[BERNAMA]* 9
Asian Bank Governors Assure Indochina of Help *[Kuala Lumpur Radio]* 9

NORTHEAST ASIA

Japan

Official: U.S. Bills on Autos 'Protectionist' *[KYODO]* 11
Ishihara on Quality of U.S. Business Leaders *[KYODO]* 11
CIS Nuclear Disarmament Aid 'Not' Considered *[KYODO]* 11
Watanabe Departs for Moscow Mideast Peace Talks *[KYODO]* 12
Russia Asks Delay in Yeltsin-Watanabe Meeting *[KYODO]* 12
Miyazawa To Call on UN Nations To Pay Dues *[KYODO]* 12
Finance Minister Hata Comments on G-7 Meeting *[KYODO]* 13
Finance Minister Rejects Easing Monetary Policy *[KYODO]* 13
Bank Governor: G-7 Endorses Monetary Policy *[KYODO]* 14
Miyazawa Said To Accept Rice Tariffication *[KYODO]* 14
Ministry Considers Altering Ban on Rice Imports *[KYODO]* 15
Equipment Maker Plans Hong Kong Subsidiary *[KYODO]* 15
Foreign Minister Watanabe's Diet Policy Speech *[Tokyo TV]* 15
Finance Minister Gives Diet Policy Speech *[Tokyo TV]* 19
Legislative Panel Discusses Rice, Reform Issues *[Tokyo TV]* 23

North Korea

Delegation to Talks With U.S. Returns Home *[KCNA]* 25
U.S. Lawmaker's Report Shows New War Offensive *[KCNA]* 26
  Report 'Directed Against' DPRK *[KCNA]* 26
Daily Urges U.S. To End 'Smear Campaign' *[Pyongyang Radio]* 27
'Credibility' of U.S. Nuclear Withdrawal Doubted *[KCNA]* 27
U.S. Pacific Air Force Stages Exercises 23 Jan *[KCNA]* 28
U.S. Plan for 'Radio Free Asia' Denounced *[KCNA]* 28
South's Daewoo Group President Departs 25 Jan *[KCNA]* 29

Vice Premier Receives PRC Trade Delegation *[KCNA]* 29
    Joint Trade Agreement Signed *[KCNA]* 29
Talks With Japan on Opening Direct Air Route *[KCNA]* 29
Daily Says Japan's N-Threat 'Imminent Reality' *[KCNA]* 29
Further on Visit by Cuban Trade Delegation 30
    Vice Premier Addresses Banquet *[KCNA]* 30
    Kim Il-song Receives Delegation *[KCNA]* 30
    Kim Chong-il Given Gift *[KCNA]* 30
Delegations Depart for IOC, Nonaligned Meetings *[KCNA]* 31
Kim Il-song Sends Message to CILRECO *[KCNA]* 31
N-S Nuclear Accord 'Fruition' of Peace Policy *[Pyongyang Radio]* 31
Daily Views Sign of 'Ruin' for South's DLP *[KCNA]* 33
Daily Examines 'Chuche-Oriented View' of Nation *[KCNA]* 33
KCNA Reviews Pyongyang Press for 25 Jan 34
KCNA Reviews NODONG SINMUN for 27 Jan 35

South Korea

Reports on Foreign Minister's Visit to U.S. 36
    Returns to Seoul 24 Jan *[YONHAP]* 36
    Sees 'No Obstacle' to N-S Summit *[Seoul Radio]* 36
Seoul, U.S. Fail To Reach Market Agreement *[YONHAP]* 36
U.S. Cited for Indifference to Black Market Rice *[MAEIL KYONGJE SINMUN 23 Jan]* 36
DPRK Party Director Holds Talks in U.S. 37
    'Optimistic' in Interview *[HANGUK ILBO 25 Jan]* 37
    Editorial Views 'Constructive' Talks *[THE KOREA TIMES 25 Jan]* 38
    Results Deemed 'Very Little' *[CHOSON ILBO 24 Jan]* 38
    Chances for U.S.-DPRK Normalization Viewed *[HANGYORE SINMUN 25 Jan]* 39
DPRK To Sign Nuclear Safeguards Accord 30 Jan *[Seoul Radio]* 40
DPRK Source Says Kim Chong-il Has 'Taken Over' *[YONHAP]* 40
Kim Chong-il Reported To Become Military Marshal *[Seoul TV]* 40
Article Assesses Kim Chong-il Leadership *[TONG-A ILBO 23 Jan]* 40
Reports Follow Daewoo Chairman's DPRK Visit 42
    Addresses Beijing News Conference *[Seoul Radio]* 42
    Says Kim Il-song Wishes To Meet No Tae-u *[YONHAP]* 42
    Interviewed on Talks With Kim Il-song *[CHOSON ILBO 26 Jan]* 42
    Interviewed on Visit Results *[Seoul TV]* 43
    Briefs Economic Minister *[YONHAP]* 44
Official Confirms Upcoming N-S Summit Talks *[CHUNGANG ILBO 27 Jan]* 44

SOUTHEAST ASIA

Burma

Commission Announces Removal of Tin U from NLD *[Rangoon Radio]* 46
Karen Rebels: Offensive Against Manerplaw Stalled *[Bangkok BANGKOK POST 25 Jan]* 46

Brunei, Malaysia & Singapore

Malaysia

Singapore's Move on U.S. Naval Facilities Viewed *[UTUSAN MALAYSIA 6 Jan]* 47
'Diplomatic Settlement' of Spratly Claims Urged *[Kuala Lumpur International]* 47
SRV Move To Enhance Regional Ties Viewed *[NEW STRAITS TIMES 23 Jan]* 47
Joint-Venture Commercial Bank Inaugurated 21 Jan *[NEW STRAITS TIMES 22 Jan]* 48
300 Opposition Members in Sabah Join UMNO *[Kuala Lumpur Radio]* 48

Cambodia

Abduction, Murder of Government Official Reported 48
    Sihanouk Calls SNC Meeting *[AFP]* 48

Radio Reports 22 Jan Abduction *[Phnom Penh Radio]* 49
Sihanouk Demands Investigation *[Radio VOK]* 49
Phnom Penh Regrets Assassination *[AFP]* 50
Peace Process Threatened *[Radio VOK]* 50
Vietnamese Foreign Minister Pays Official Visit 50
Joint Communique Issued 25 Jan *[Phnom Penh Radio]* 50
Communique on Cooperation Signed *[Phnom Penh Radio]* 52
Pact on Mutual Respect Signed *[SPK]* 52
'Cordial' Talks Held With Hor Namhong *[Phnom Penh Radio]* 52
Receives Warm Welcome From Chea Sim *[Phnom Penh Radio]* 53
Reaffirms No Troops in Cambodia *[Phnom Penh Radio]* 53
Departs 26 Jan *[SPK]* 53
UN Special Envoy Akashi's Activities Noted 53
Meets Khieu Samphan *[Radio VGNUFC]* 53
Meets SNC Members *[Phnom Penh Radio]* 55
To Spend 'Extra' Day in Provinces *[SPK]* 55
'Not Satisfied' With KR Access *[AFP]* 55
Sihanouk Says No Vietnamese Troops in Cambodia *[SPK]* 56
23 Jan Session of SNC Meeting Reported *[Radio VGNUFC]* 56
Communique of SNC Working Group for Repatriation *[Radio VOK]* 57
SNC Guarantees International Access To All Areas *[AFP]* 57
SNC Allow Khmer Rouge To Live in Royal Palace *[AFP]* 58
Majority View SNC as Sole Source of Power *[Radio VGNUFC]* 58
Mat Ly Opens 22d National Assembly Session *[Phnom Penh Radio]* 59
KR Said Refusing To Cooperate With SNC *[AFP]* 61
Son Sann Interviewed on Recent Developments *[Radio VOK]* 61
Soldiers Ordered To Move From Occupied Land 26 Jan *[Radio VOK]* 63

Philippines

U.S. Ex-Serviceman Missing, Feared Kidnapped *[MALAYA 26 Jan]* 63
President Aquino Announces Ramos Endorsement *[Quezon City Radio]* 64

Vietnam

Relations Established With Ukraine *[VNA]* 65
Deputy Minister Reviews Premier's Malaysia Visit *[Hanoi Radio]* 65
Cash Flow Said 'Tight' in Hanoi, Localities *[Hanoi Radio]* 66
Do Muoi Discusses Agricultural Economy *[VNA]* 67
Doan Khue Article on Army's Defense of Socialism *[TAP CHI QUOC PHONG TOAN DAN Dec]* 67
General Recalls 1965 Battle With U.S. Army Unit 71
First Part *[Hanoi Radio]* 71
Last Part *[Hanoi Radio]* 72

AUSTRALASIA

New Zealand

Bolger Criticizes Australian Economic Policies *[AFP]* 75
Trade Surplus Reaches $1.1 Billion in 1991 *[AFP]* 75

Papua New Guinea

Bougainville Rebels Begin Radio Broadcasts *[AFP]* 75

Singapore Premier Rules Out U.S. Military Base

BK2501142692 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 25 Jan 92

[Text] Singapore Prime Minister Goh Chok Tong has ruled out the possibility of setting up a U.S. military base on the island republic. In a written reply to questions from the Singapore media, he said there would be no question of Americans setting up a base in the Republic. He said the American presence in Singapore would be limited to a naval logistics element within the terms of the 1990 memorandum of understanding. The facility will be a continuation of on-going repairs, maintenance, supply functions.

On the proposed ASEAN free trade area which is expected to be in place in 15 years, Mr. Goh said it would make the group more attractive for investments and trade. He also said ASEAN must compete to prevent investments from being diverted to a single European market and the North American free trade area.

Meanwhile, Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed and Mr. Goh met for bilateral talks at the Istana [palace] in the Republic today. Details of the meeting lasting about an hour were not available. Datuk Sri Dr. Mahathir accompanied by his wife Datuk Sri Datin Paduka Dr. Siti Hasmah arrived in Singapore this from Kuala Lumpur afternoon.

Discusses Issue With Indonesia

BK2701014092 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 27 Jan 92

[Text] Singapore Prime Minister Goh Chok Tong has informed President Suharto of his country's plan to offer a repair and maintenance facility to U.S. warships. The plan will be within the framework of a memorandum of understanding signed by Singapore and the United States in 1990. According to Minister and State Secretary Murdiono, President Suharto understands Singapore's plan to give the facility to the United States. Former Singapore Prime Minister Lee Kuan Yew previously briefed President Suharto of the plan when they met in Brunei Darussalam.

During the meeting, President Suharto and Singapore Prime Minister Goh Chok Tong agreed to enhance current bilateral cooperation, particularly in the development of Bintan Island for their common interests.

ASEAN Agrees Not To Form Military Alliance

BK2501024992 Bangkok THE NATION in English 25 Jan 92 p A1

[Text] Singapore—ASEAN countries have agreed not to form a military alliance, regardless of new uncertainties due to the end of the Cold War, and urged each member to take care of its own defence.

"ASEAN is not and should not become a military alliance. Each member country must always assume primary responsibility for its own defence and security," states the draft declaration approved by both ASEAN foreign and economic ministers at the end of their pre-summit meetings yesterday.

The draft will now be forwarded to the Asean leaders who will meet on Monday for final approval.

The draft was apparently toned down considerably and several paragraphs were deleted after lengthy discussions in preceding days. Notable absent from the final version were recomendations by ASEAN senior officials concerning the future ASEAN role in the Cambodian peace process. The earlier draft stated that ASEAN would call on the United Nations to dispatch, as soon as possible the United Nations Transitional Authority in Cambodia to implement the pece process.

ASEAN senior officials had also recommended that ASEAN play an active part in international programmes for the reconstruction of Vietnam, Laos and Cambodia.

A Thai official said that ASEAN does not want to get involved too much with the Cambodian problem, even though Thailand has called for a greater ASEAN role in the Cambodian peace process and future reconstruction efforts.

The final draft referred only superficially to the situation in Cambodia, saying that the Paris agreement on Cambodia has opened "a new chapter between ASEAN and Indochina."

After strong objection from Indonesia, ASEAN ministers agreed to drop its earlier plan to invite outside powers to accede to the 1976 Treaty of Amity and Cooperation in southeast Asia. The document simply says that the treaty "is open to accession by all interested countries, inlcuding all those in Southeast Asia."

The declaration says that ASEAN should agree to Vietnam's and laos' request to sign the treaty and their future membership could be considered at a later stage.

The treaty will be enshrined in a United Nations resolution in the future, according to the draft.

It also stages taht ASEAN should expand its cooperation with countries in the Asia-Pacific area in order to "consolidate the existing equilibrium and peace and stability in Southeast Asia."

ASEAN ministers see the post-Cold War Southeast Asia as a resgion withourt a "major imminent threat to peace and stability," and they feel that ASEAN must respond to the international and regional stragegic equation by building on its past achievements.

"Our countris are at peace, both internally and with each other. Our economies are sound and the propsects for further growth are good. A stable equilibrium exists in the region," according to the draft.

It says the Declaration of ASEAN concord in 1976 should continue to be the basic guide for ASEAN cooperation, including in the security field. ASEAN ministes also contend that regional resilience depends on individual countries having strong national resilience.

The document also touched on other aspects of ASEAN cooperation including steps to strengthen ASAN economic and social cooperation.

ASEAN also agreed to invite China to the Philippines, which is currently the chairman of ASEAN, to hold a consulrtative meeting with the ASEAN foreign ministers.

ASEAN ministes cautioned, however, that "this dos not imply that ASEAN is in the process of granting dialogue status to the country."

A similar posture has ben extended to India, which will become a new ASEAN sector dialogue partner in trade, investment and tourism. "The granting of sectoral dialogue status to India is not a commitment to elevate it to a full dialogue partner," says the draft.

Thai Premier Seeks New ASEAN Security Order

BK2501105892 Hong Kong AFP in English 0916 GMT 25 Jan 92

[Text] Singapore, Jan 25 (AFP)—Thai Prime Minister Anan Panyarachun said Saturday that Southeast Asians must take responsibility for their own security and design a new regional order without help from outside.

"We have to rely on inner strength and reduce dependence on outside powers," he said in an obvious reference to the United States which has been a linchpin of regional security and stability.

Anan made his remarks ahead of the Association of Southeast Asian Nations (ASEAN) summit opening Monday which officials said would address the security issue after years of avoiding public discussion of the subject.

"It is incumbent upon all of us in this region to design a new regional order, a security order in the area," Anan told a packed luncheon gathering of the Foreign Correspondents Association of Singapore.

He said that such an order "must be indigenous" but left open the possibility of consultations with outside powers.

"If that design has room for legitimate participation by outsiders, by all means do it," the prime minister said. "But let's agree on the design first."

Anan's remarks, in response to questions, followed those by Philippine Foreign Secretary Raul Manglapus on Friday that the six-member grouping had made a "tremendous breakthrough" in waking up to regional security concerns.

Officials of ASEAN, which groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand have been mulling over how to address security concerns with U.S. forces due to pull out of the Philippines this year.

Anan said that although the founders of the quarter-century-old ASEAN were reluctant to cite security as a reason for the group's formation, "we in ASEAN now believe it time to handle the question of security ourselves."

But he said ASEAN should first work out an understanding on what constituted regional security in the post Cold War era, adding that "it should not be something that is imposed upon us."

Anan said he was not concerned whether the new security arrangement was bilateral or multilateral as long as countries in the region first agreed on its design. He sidestepped the question of whether and in what form ASEAN should establish a security forum.

The Thai leader, who will step down from office after elections in March, said that while he was personally disappointed over the pace of restoring peace to Cambodia he was not "completely pessimistic" over ongoing U.N. efforts.

"It may be foolhardly for us to expect things to move quickly," he said.

Anan also defended ASEAN's refusal to join Western sanctions against Burma but held out hope that the group's policy of "constructive engagement" would sway Rangoon's military junta towards democratisation.

Earlier, in prepared remarks, Anan called for closer economic links among ASEAN states to ensure the group, which is moving towards a Free Trade Area, did not lose out to new economic regionalism elsewhere.

He said that a major challenge facing ASEAN was how to build a new regional order "that embraces all nations of Southeast Asia in peace, stability and progress."

Anan said he believed that the Indochina states and Burma would eventually join ASEAN, although not necessaarily as full-fledged members right away because of differing levels of economic development.

Questions Policy on Burma

BK2601035892 Bangkok THE NATION in English 26 Jan 92 p A2

[Excerpt] [Passage omitted] Prime Minister Anan yesterday said Asean's "constructive engagement" policy towards Burma might not bring about democracy in that country unless the Rangoon regime was willing to do so.

"I do not believe that constructive engagement employed by Thailand or Asean would stay the course in Burma," Anan told Singapore-based foreign correspondents while addressing them on Asean's policy towards Burma at the Singapore Foreign Correspondents Association.

Anan said while Asean was engaging in this effort, it bore in mind not to expect any result. "We believe in constructive engagement in Burma but we don't expect any result."

The premier said this reality also confirmed his belief that the Western style approach also would not succeed. "...My question is what can the boycott and trade sanctions do? The answer is the same because Burma is not ready to listen to anyone nor be bothered by any threat of trade sanctions," he said.

Anan's observation of the situation in Burma was in response to increasing pressure Western nations aplied directly on Rangoon and on Asean nations to force the Burmese junta, the State Law and Order Restoration Council (SLORC), to transfer power to the people.

Anan said he personally did not like what was happening in Burma but its was beyond his power to initiate any change. "I do not like what is happening in Burma. I wish I had all the power to change that country's course. I don't have that power," he added.

The premier also rapped the West for the aggressive attitude it has adopted towards Rangoon, whose oppression, he said, was not as bad as compared with the history of some countreis in Europe in the past.

Reviews ASEAN Trade Issues

BK2601025292 Bangkok THE NATION in English 26 Jan 92 p A1-A2

[Text] Prime Minister Anan Panyarachun, heralding "a new chapter of Asean cooperation", is expected to announce tariff reductions on 15 groups of products for immediate inclusion in the proposed free trade arrangement, when the Asean heads of government convene their Fourth Summit here tomorrow.

The announcement will underscore the Thai government's commitment to carrying out the proposed Asean Free Trade Area (Afta) and to achieve Afta by the year 2008, Dr Narongchai Akrasani, a close aide of the premier, said yesterday.

In his luncheon speech to the Foreign Correspondents Association of Singapore yesterday, Prime Minister Anan stressed that economic cooperation among the six Asean countries would serve as "a new rallying point to bind Asean".

He called on other Asean leaders to transform the successful political cooperation of the past 25 years of Asean's existence into the economic sphere.

"We have entered a new chapter of Asean cooperation," Anan announced, adding that the time was ripe for Asean to transform itself into a "substantial economic entity vis-a-vis the outside world".

"We really need to instil the new concept of competitive cooperation in the minds of Asean leaders. We have to really believe in it," the premier said in an interview with Thai reporters later in the day.

If Asean was to achieve the free trade area within 10 to 15 years it would defy the critics who have doubted the group's ability to muster the political will to substantially boost economic cooperation, an area to which the 25-year-old grouping had paid "lip service" only, the premier said.

He also expressed his personal preference for a 10-year timeframe for turning Asean into a free trade area instead of 15, as suggested by the Asean foreign and economic ministers.

Speaking to Thai reporters in the evening, Anan said the first five years of Afta would be the most important because deep tariff cuts in the first stage would set the momentum for the Asean Free Trade Area to move by itself.

However, the concern of some Asean member countries over the possible adverse impact on domestic industries should also be adequately addressed, Anan added.

"While I appreciate the concerns of some member countries about the impact on their domestic industries, the overall and long-term benefits of Afta will more than compensate for any short-term loss. Instead of competing for the same piece of pie, we are making the pie bigger for all," the premier noted.

Afta was not designed to be a "zero-sum gain" arrangement whereby one country gained everything and another country lost, Anan stressed.

He said the proposal should be viewed as distributing different benefits to member countries depending on individual countries' ability to exploit the opportunities and challenges before them.

At the same time, Anan called for an agreement among Asean leaders to come up with a concrete plan of action and the needed mechanisms to implement the Afta initiative.

The foreign and economic ministers have agreed that a "council" comprising ministers and senior economic officials should be set up to coordinate, supervise and review the process of market integration.

Given greater world economic competition and with economics having replaced politics on the national agenda, Anan emphasized that Asean had to create a new environment for its economies. This would mean closer links between the six nations so that a larger market would emerge that would make the region much more attractive to international investors.

"I have had a long-standing conviction that economic cooperation and gradual integration among Asean is essential if Asean is to remain a dynamic force for peace and stability in Southeast Asia and in the Asia-Pacifc region. Economic cooperation will reinvigorate Asean with a new sense of common purpose," the premeir said in the speech to foreign correspondents in Singapore.

The stalemate in the Uruguay Round of multilateral trade talks, as well as the slowing growth of the major economic powers, have provided the right environment for Asean to move toward the bold initiative of turning the group into a free trade area. Anan's close aide on Afta said that the premeir would announce the tariff reductions on the 15 sectors, identified for early implemention, at the Summit to signify Thailand's commitment to the scheme it proposed early last year.

However, he declined comment on specific tariff cuts the premier planned for these products.

The government would shortly appoint a working group at the ministerial level to consider the tariff structure of these products as well as other manufactured, processed agricultural products and capital goods which are covered under the free trade arrangement, he added.

This committee would coordinate with other Asean member countries on steps to be taken to liberalize trade and remove tariffs as well as non-tariff barriers among each other.

The 15 groups of products to undergo accelerated tariff cuts in the initial years are cement, pulp, fertilizer, gems and jewellery, leather products, textiles and garments, wood and rattan products, chemicals, plastics, glass and ceramic products, vegetable oil, rubber and rubber products, pharmaceuticals, electronics and copper cathodes.

However, there is still a possibility that the government might not cut the tariffs immediately on chemicals, plastics and vegetable oil, which are extremely sensitive to the country's economy.

Anan stressed the government would need to explain the initiative to the private sector in order to avoid confusion that could provoke opposition and affect the successful implementation of the scheme, he added.

Singapore's Senior Minister Lee Kuan Yew expressed his full support for the creation of an Asean Free Trade Area, saying that such an initiative would help sustain the dynamic growth of the member countries.

Lee and Anan met yesterday afternoon for an hour.

Anan quoted Lee as expressing satisfaction over the six Asean countries' ability to forge closer economic cooeration. Both agreed that the first few years of implementing the free trade arrangement would be "very important", as they would set the momentum for Afta to continue by itself.

ASEAN To Jointly Promote Agricultural Exports

BK2501023992 Bangkok THE NATION in English 25 Jan 92 p B1, B8

[Text] The six ASEAN countries have agreed to put up a united front to promote exports of certain agricultural products and negotiate with the group's trading partners on market access amid the escalating protectionism worldwide.

Yesterday's joint ASEAN foreign and economic ministers' meeting endorsed a recommendation by the ASEAN Ministers on Agriculture and Forestry that called on member countries to organize joint promotions and seek better market access for ASEAN agricultural products.

In the first stage, the ministers suggested 12 ASEAN agricultural products, nine of which were proposed by Thailand. They are frozen chicken meat, frozen prawns, canned pineapple, palm oil, rubber, plywood, tapioca, coconut oil, canned tuna, cocoa, pepper and carageenan (seaweed extract from the Philippines).

These products were approved by the ASEAN ministers on agriculture and forestry who met in the northern province of Chiang Rai late last year.

ASEAN's commitment to carrying out the scheme will be reflected in the Singapore Declaration to be signed at the end of the two-day Summit of ASEAN heads of government on Jan 28, officials said.

The draft declaration obtained by THE NATION spells out clearly that ASEAN shall undertake joint efforts in trade promotion and negotiations on ASEAN agricultural products in order to enhance the competitiveness of its farm exports in the international market.

To be eligible for the scheme, the selected agricultural products should have a substantial share of the world market, an economic impact in terms of generating income for a large number of ASEAN people, and must not be produced by only one or a few companies.

The need for intra-ASEAN cooperation in this area is pressing, underscored by the proliferation of tariff and non-tariff barriers such as sanitary and phytosanitary regulations, differentiated tariff structures and quantitative restrictions, said ASEAN officials.

"For years, ASEAN agricultural products have been subjected to discriminatory trade measures and other quantitative restrictions which effectively reduce their competitiveness and access to international markets," said a senior Thai delegate who asked not to be named.

With the rise in protectionism, a Malaysian official noted that ASEAN alone might not count much in the eyes of major economic powers as its bargaining power cannot match that of the developed countries.

"Our products, no matter what and how important they are, would always be subject to increasing barriers when trying to enter these countries," the official said.

Malaysia, one of the largest vegetable oil exporters, has faced difficulties in selling palm oil to the United States and the European Community, both of which cite health reasons.

Similarly, Thailand has had several shipments of frozen prawns and chicken bound for Japan rejected because of "high levels of chemical residues."

The Philippines, which exports large quantities of carageenan and coconut oil, has also faced similar tough treatment in the U.S. and EC.

Initially Singapore, which does not maintain an agricultural base, expressed objections to the proposal. Officials said the island republic, currently brokering farm commodities for ASEAN countries, fears that the proposal might result in ASEAN members marketing their own agricultural products, thus reducing trade through Singapore.

Apart from joint promotions and negotiations, the farm ministers also wanted the six ASEAN countries to reinforce the links between production and marketing so as to serve the market better.

Brunei, Indonesia, Malaysia Support AFTA

BK2701092592 Bangkok BANGKOK POST in English 27 Jan 92 p 5

[by Nattaya Chetchotirot and Bunsong Kositchotthana in Singapore]

[Text] Leaders of Indonesia, Malaysia and Brunei yesterday expressed support for Prime Minister Anan Panyarachun's push for the creation of the ASEAN Free Trade Area (AFTA).

Mr Anan obtained the backing from Indonesian President Suharto, Malaysian Prime Minister Mahathir Mohamed and Brunei's Sultan Haji Hassanal Bolkiah during separate courtesy calls yesterday.

That brings the number of ASEAN leaders endorsing the major regional trade liberalisation programme to five.

On Saturday, Singapore Prime Minister Goh Chok Tong told Mr Anan that the island fully supports the AFTA scheme.

While Philippine President Corazon Aquino has not yet personally told Mr Anan whether she supports AFTA, she is expected to do so when the six leaders of the Southeast Asian nations meet formally today.

A spokesman for the Thai Government quoted Dr Mahathir as saying that Malaysia shares Mr Anan's vision that the scheme should be realised in 10 years instead of 15 years.

But President Suharto, citing his country's slower rate of industrial development, said his country needs longer—15 years—to prepare to achieve the goal of the AFTA.

Sultan Bolkiah was quoted as saying that Brunei has been supportive of the AFTA concept since it was proposed by the Thai Prime Minister last year.

The six ASEAN leaders are most likely to formally endorse the AFTA plan, to be applied through a tariff reduction scheme known as Common Effective Preferential Tariff (CEPT), during the summit.

Meanwhile, the Anan Administration will next month announce tariff cuts for imported raw materials and intermediate products required by domestic industries as part of its economic liberalisation programme.

Mr Anan made the announcement yesterday but did not give details. However, he said the reduction will apply generally to imports from all countries.

In addition, he said Thailand is prepared to reduce tariffs on certain products manufactured by other ASEAN member states in line with the implementation of the AFTA.

The kingdom expects to announce soon a list of seven ASEAN products for which it is ready to extend preferential tariff arrangements under the CEPT.

Mr Anan said Thailand's tariff cut for ASEAN products will take effect from the end of this year or early next year.

Sathaphon Kawitanon, secretary-general of the Board of Investment, said the general cut in import tariffs for raw materials and intermediate products coming to Thailand will be applied on a sector by sector basis with different timeframes.

He declined to name the items subject to tariff cuts to avoid triggering speculation.

But he said application of the policy will take into account the need to avoid the immediate brunt being carried wholly by domestic producers of the raw materials and intermediate industrial products involved.

In other words, only products which are not made locally will see an immediate tariff reduction.

Mr Anan said the general reduction in import duty for imported raw materials and intermediate products will strengthen Thai industries' competitive edge in the export and domestic markets.

The impact of the ASEAN tariff reduction scheme on Thai industries is inevitable, he said, but this wil be short-term.

He noted that Thai manufacturers are already aware of his Administration's policy to eliminate protection for local industries.

Mahathir Convinced EAEC 'Reality' in 5 Years

BK2601103292 Kuala Lumpur BERNAMA in English 0941 GMT 26 Jan 92

[Text] Singapore, Jan 26 (BERNAMA)—Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed said today he is convinced the proposed East Asia Economic Caucus (EAEC) can become reality in five years or less.

He said it was normal for any proposal at international level, including ASEAN initiatives, to take time to be realised.

"As for the EAEC, I believe it can move forward faster and will become reality in five years or before the next ASEAN summit," he told Malaysian journalists here.

The next summit could come in three years time as there is a recommendation before the fourth summit, which opens here tomorrow, to endorse that formal meetings of the heads of government be held every three to five years.

Datuk Sri Dr. Mahathir said his conviction on the realisation of the EAEC was based on the fact that ASEAN had achieved considerable progress compared to other regional groupings.

He said some groupings held meetings more frequently but failed to achieve progress to match, adding that ASEAN was acknowledged to have made progress that it could be proud of.

The prime minister said that in spirit even if the EAEC had yet to be established, free trade could be initiated by obtaining a common view from as many countries as possible for the next round of GATT (General Agreement on Tariffs and Trade) talks.

However, he expressed concern that ASEAN was unable to take a stand on the GATT negotiations, particularly with regard to the United States conducting bilateral arrangements with Japan.

Commenting on the United States' negative statements on the formation of the EAEC, he said the United States had said that it was its responsibility to ensure that no third trading bloc emerged in the world.

This itself showed that the United States acknowledged itself as being part of a trading bloc, he added.

"That statement is acknowledgement enough because when Europe and America can be trading blocs, East Asia cannot be one. In fact, we do not have the intention to be a trading bloc," he said.

Datuk Sri Dr. Mahathir said that in response to the United States' statement, ASEAN should resort to informing potential members of the EAEC of the actual situation.

He said that if the document on the EAEC was accepted by all the ASEAN heads of government, it would be in keeping with the decision made at the ASEAN Economic Ministers Meeting (AEM) in Kuala Lumpur last October and the subsequent meetings held here.

"We are not asking for anything more because, for us, the EAEC is in accordance with the original proposal," he said. Malaysia had proposed the East Asia Economic Group (EAEG), which was renamed to the EAEC at the AEM in Kuala Lumpur.

Referring to the two other proposals before the summit—the Common Effective Preferential Tariff (CEPT) agreement and the ASEAN Free Trade Area (AFTA)—he said both were constructive and had Malaysia's support.

Asked about his meetings with the other ASEAN leaders, Datuk Sri Dr. Mahathir said nothing specific was discussed because much of the discussions had been conducted at the level of ministers.

He said it had become the procedure for ASEAN heads of government to endorse the recommendations of their ministers based on the outcome of the meetings.

Reaches Agreement With Indonesia

BK2601150292 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 26 Jan 92

[Text] Malaysia and Indonesia have agreed that ASEAN should provide further clarification on the concept of East Asia Economic Caucus [EAEC] to those countries which oppose its establishment. The agreement was reached during talks between Prime Minister Datuk Sri Dr. Mahathir and Indonesian President Suharto in Singapore today.

Speaking after the meeting, the prime minister briefed reporters on President Suharto's cautious stand toward the establishment of EAEC. President Suharto's argument is that Indonesia has a huge market in the United States and the Indonesian Government does not want to lose that market. The United States has rejected the EAEC on grounds that it does not want to see the world being divided into several trade blocs.

A senior Indonesian official said that talks between Datuk Sri Dr. Mahathir and President Suharto on the EAEC were held in cordial and frank manner. The Indonesian official was present during the talks.

Suharto Stresses Implementing EAEC 'Gradually'

BK2701012692 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 27 Jan 92

[Text] President Suharto has made it clear that the proposal for establishment of an East Asian Economic Caucus [EAEC] is good. However, the proposal should be implemented gradually and realistically to ensure that its objectives are attained. Minister and State Secretary Murdiono was briefing newsmen on the results of a meeting between the head of state and Malaysian Prime Minister Mahathir Mohamed in Singapore yesterday. He said the two heads of government also discussed the need to protect the Malacca Straits, which is narrow but heavily travelled by tankers and ships carrying chemicals.

In this connection, Prime Minister Mahathir Mohamed suggested to President Suharto that the international community be involved in protecting the sea route and preventing pollution from these ships because this would in turn damage the environment.

Aquino Seeks Another Economic 'Growth Triangle'

BK2601141692 Kuala Lumpur BERNAMA in English 1329 GMT 26 Jan 92

[Text] Singapore, Jan 26 (BERNAMA)—The Philippines has offered a site for the establishment of a "growth triangle" similar to the successful Singapore-Johor-Riau economic growth triangle.

The offer was made by President Corazon Aquino who expressed endorsement for the concept as a promising economic alternative for developing nations like the Philippines.

Addressing the Singapore Chinese Chamber of Commerce and Industry at a luncheon here today, she said the proposed "growth triangle" in the Philippines could involve Singapore, Malaysia, Brunei, and Indonesia.

In making the offer, Puan [Mrs.] Aquino said an "industrial estate, province or district" in the Philippines could be used as a component for another growth triangle in Southeast Asia.

Puan Aquino, who arrived here today to attend the fourth ASEAN summit, said the rich natural resources in the Philippines would be an excellent match to Singapore's financial resources and expertise.

Puan Aquino said the economic boom that the concept had generated for the participating countries had opened avenues and possibilities for greater economic growth in Southeast Asia.

The Philippines was watching with keen interest the relocation of Singaporean industries to Thailand, Malaysia, and Indonesia, she added, saying her country was ready and willing to conduct the necessary feasibility studies with participating countries to start the "growth triangle" integration process.

Turning to events in her country, Puan Aquino said the past six years had been challenging ones for the Philippines where the budget deficit was now under control, interest rates softened, trade and current accounts improved and international reserves built up to comfortable levels.

She added that the Philippines had completed plans to liberalise trade and make it profitable for foreign investors to venture into the Philippine market through the Foreign Investment Act, 1991.

Import levies had also been reduced to manageable levels and the Philippines looked forward to eliminating them before the end of the year, she added.

ASEAN Urged To Press Burma Over Dissident

BK2501145092 Hong Kong AFP in English 1326 GMT 25 Jan 92

[Text] Kuala Lumpur, Jan 25 (AFP)—A Malaysian opposition leader Saturday urged the Association of Southeast Asian Nations (ASEAN) leaders to press for the release of Burmese dissident Aung San Suu Kyi during their upcoming summit.

A statement issued by Lim Kit Siang also called on the ASEAN leaders, who will hold their fourth summit in Singapore Monday and Tuesday, to adopt a human rights charter and establish a commission to promote and uphold human rights in the grouping's region.

ASEAN groups Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

"It will be a great disappointment to the people in ASEAN and the world if the summit completely ignores the gross human rights violations" in neighbouring countries and allows the Burmese military regime to continue "its gross violations of human rights," Lim said.

Suu Kyi, the 46-year-old winner of the 1991 Nobel Peace Prize and leader of Burma's National League for Democracy, has been held under house arrest by Burma's military authorities since July 1989.

Lim said the establishment of an ASEAN human rights commission would be a landmark achievement demonstrating the commitment of all ASEAN members to human rights.

The commission should be empowered to receive and investigate complaints of human rights violations by any ASEAN government and to make public its findings, Lim said.

EC Seeks Help on Release

BK2701030592 Bangkok THE NATION in English 27 Jan 92 p A1

[Text] The European Community has urged ASEAN leaders, who begin their two-day summit here today, to find ways to help free Nobel Peace Prize laureate Aung San Suu Kyi who has been under house arrest in Rangoon since 1989.

An informed Thai source said a letter from the EC expressed concern over the fate of Suu Kyi and violations of human rights in Burma.

It was delivered to Singapore and passed on to ASEAN foreign ministers last Friday.

The EC has been at odds with ASEAN over their approaches towards Burma.

ASEAN has rejected the EC's insistence that it exert pressure on the military regime in Rangoon into improving human rights conditions in Burma and releasing Suu Kyi.

Philippine Foreign Minister Raul Manglapus last year visited Burma.

He later said he was convinced that the ASEAN approach was better than imposing sanctions as called for by western countries.

Most ASEAN countries, especially Thailand, are maintaining normal relations with the Rangoon regime.

Thailand is practising what is described as a policy of constructive engagement towards the Saw Maung government which came to power in a bloody coup in 1989.

Although the issue related to Burma is not on the agenda, an informed source said it was possible that it could be raised during an informal meeting of the ASEAN leaders.

Prime Minister Anan Panyarachun said here on Saturday that boycott and sanction would not change the course of action in Burma because its military leaders were "not ready to listen to anybody at the moment."

Anan also lashed out at some Western powers which constantly urged that action be taken against Burma, and yet had not been prepared to take action against some European countries which had committed grave human rights violations.

The EC letter also said the community wants to enhance its dialogue with ASEAN.

It said the community is eager to increase consultations with ASEAN on security, human rights, environment protection, drug trafficking and Aids.

The EC, according to the letter, also welcomes the development of the relationship between ASEAN and other countries in the Asian- Pacific region.

The letter encouraged ASEAN to continue to work towards mutual economic cooperation and integration in compliance with GATT rules.

EC Proposes Enhanced 'Dialogue' With ASEAN

BK2501062092 Kuala Lumpur BERNAMA in English 0356 GMT 25 Jan 92

[Text] Singapore, Jan 25 (OANA-BERNAMA)—The European Community (EC) will propose to the Association of Southeast Asian Nations (ASEAN) that the EC-Asean meeting this year be followed by another meeting two years later in efforts to enhance dialogue.

The EC and its member countries considered institutionalised EC-ASEAN dialogue as of great importance and were keen to deepen their relationship, it said in a message to Singapore Prime Minister Goh Chok Tong Friday. The EC-ASEAN meeting will be held in October in Manila.

The Association of Southeast Asian Nations (ASEAN) groups Brunei, Indonesia, Malaysia, Thailand, the Philippines, and Singapore.

In this regard, a new proposal was being submitted for consideration of ASEAN countries in order to promote the dialogue, it said in the message on the occasion of the fourth ASEAN summit, hosted by Singapore, on Monday.

The EC and its member states were looking forward to the important decisions to be taken by the ASEAN summit, it added.

The EC also said it was looking forward to the negotiation of the co-operation agreement between the EC and ASEAN which it said constituted a major new step in strengthening mutual relations.

In welcoming the development of the relationship between ASEAN and other countries in the Asia Pacific region, it said ASEAN states should continue to work towards mutual economic co-operation and integration in compliance with Generalised Agreement on Trade and Tariffs (GATT) rules.

With new threats of protectionism emerging within the global trade system, the success of the Uruguay Round negotiations was particularly important, it added.

In his message to Goh and the other heads of government of ASEAN, Chilean President Aylwin Azscar wished the summit success.

He said Chile and the ASEAN countries shared not only a geographic area, rich resources, and opportunities, but also the values of democracy and an export-oriented market economy.

Russia Seeks To Broaden Exchanges With ASEAN

BK2501104692 Hong Kong AFP in English 0931 GMT 25 Jan 92

[Text] Singapore, Jan 25 (AFP)—The Russian federation wants closer relations and a "considerable broadening" of economic ties with members of the Association of Southeast Asian Nations (ASEAN), President Boris Yeltsin said Saturday.

In a message to Singapore Prime Minister Goh Chok Tong on the eve of the ASEAN summit, Yeltsin expressed gratitude for the regional group's support of the democratic reforms in his country.

"We would like to maintain a political dialogue with ASEAN and hope for considerable broadening of economic ties," the Russian leader said.

"We suppose that there are good prospects for developing an essentially new, closer kind of relations with ASEAN."

He said such ties would be based on Russia's refusal to take "superpower positions" and its "sincere intrest in security, stability and socio-econo, progress in the Asia-Pacific region."

Yeltsin also wished the leaders of Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand success in their two-day summit opening in Singapore on Monday.

The Soviet Union took part for the first time in ASEAN's annual dialogue session with outside powers last July in Kuala Lumpur when Moscow was invited as a guest by host Malaysia.

Russia is expected to participate in this year's talks following the ASEAN foreign ministers meeting in Manila with an invitation from the head of the association's standing committee, Philippines Foreign Secretary Raul Manglapus.

Pakistan, India To Enhance Ties With ASEAN

BK2701035692 Jakarta ANTARA in English 0328 GMT 27 Jan 92

[Text] Singapore, Jan 27 (OANA-ANTARA)—Pakistan has expressed desire to cooperate with the Association of Southeast Asian Nations [ASEAN] and the Asia-Pacific Economic Cooperation (APEC), a local newspaper reported Saturday.

According to BUSINESS TIMES daily, the desire was based on Pakistan's plan to increase its economic relations with East Asian countries.

Pakistani Economic Affairs Minister Sardar Asif Ahmad Ali said Pakistan's political relations with Southeast Asian nations were running well and such a condition was also expected to occur in the economic sector.

However, he admitted that the plan could not be realized in the near future as it would take a long time to have consultations with the countries concerned.

Meanwhile, the possibility of India to be an ASEAN trade dialogue partner was also discussed in the senior official meeting (SOM) and ministerial meeting prior to the 4th ASEAN summit on January 27 to 28 in Singapore.

It was reported that India was to concentrate on trade, investment, and tourism.

So far, ASEAN had seven trade dialogue partners, namely the European Community (EC), the United States, New Zealand, Japan, Australia, and South Korea.

Thailand Assures Malaysia on Border Issue

BK2601141092 Kuala Lumpur BERNAMA in English 1325 GMT 26 Jan 92

[Text] Singapore, Jan 26 (BERNAMA)—Thailand today gave the assurance that it will not resort to provocative acts against Malaysia in matters relating to their common border, Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed said here.

He said the assurance was conveyed to him by Thai Prime Minister Anan Panyarachun in their bilateral talks on the eve of the fourth ASEAN summit.

Speaking to reporters after the meeting, Datuk Sri Dr. Mahathir said both of them agreed that all problems relating to the border should be discussed by both countries.

"Thailand has agreed that it will not resort to provocative acts and will have discussions with Malaysia on any problem relating to territory," he added.

Datuk Sri Dr. Mahathir, who arrived here yesterday to attend the two-day summit, also met Sultan Haji Hassanal Bolkiah of Brunei and President Suharto of Indonesia today for bilateral discussions.

The assurance follows five incidents where Thai uniformed personnel intruded into Padang Besar, once in July and four times last month, purportedly to stamp out smuggling.

Datuk Sri Dr. Mahathir said he accepted the clarification by Encik [Mr] Anan that the incidents were beyond his knowledge because the acts were committed by local commandants.

"I explained that if there was smuggling in their territory, they should only take action in their area but what had happened was that they had entered our territory," he said.

Datuk Sri Dr. Mahathir said: "What we want is for such incidents not to recur."

The border was also a topic of the discussions between Datuk Sri Dr. Mahathir and President Suharto. They discussed the Sipadan and Ligitan Islands which Indonesia is laying claim to.

Datuk Sri Dr. Mahathir said both leaders agreed that neither country would resort to any action that would aggravate the situation.

Malaysian Foreign Minister Datuk Abdullah Ahmad Badawi, elaborating on the Malaysian-Thai border issue, said the matter would be left to the foreign ministers of both countries to discuss at the Malaysia-Thailand Joint Commission Meeting (JCM) to be held in Kuala Lumpur next month.

Datuk Sri Dr. Mahathir and Encik Anand also discussed the issues to be raised at the JCM.

Asian Bank Governors Assure Indochina of Help

BK2401150992 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 24 Jan 92

[Text] Governors of Southeast Asian Central Banks [SEACEN], who ended the 27th annual conference in Kuala

Lumpur today, assured Indochinese countries of assistance to their economic reforms. According to a press statement issued by Malaysia's Central Bank at the end of a three-day conference, the central banks agreed to extend whatever assistance necessary for their reforms. The statement says that observers from the central banks of Cambodia, Laos, and Vietnam drew the attention of the conference to difficulties facing their economies. SEACEN comprises the central banks of Malaysia, Indonesia, South Korea, Burma, Nepal, the Philippines, Sri Lanka, and Thailand. The conference was inaugurated by Prime Minister Datuk Sri Dr. Mahathir on Wednesday.

Japan

Official: U.S. Bills on Autos 'Protectionist'

OW2401110292 Tokyo KYODO in English 1051 GMT 24 Jan 92

[Text] Tokyo, Jan. 24 KYODO—Japan is "seriously concerned" about the possible enactment of "protectionist" bills to restrict sales in the united states of Japanese autos, a Foreign Ministry spokesman said Friday.

"The Japanese Government considers these bills to be extremely protectionist, not to mention unilateral," spokesman Masabuchi Hanabusa told Japanese reporters at a news conference.

"It would be cause for serious concern if they were to be enacted," said the new spokesman, formerly Japan's Consulate General to New York.

The coordinated bills seek legislation restricting Japanese auto sales in the U.S. unless Japan eliminates its 41 billion dollar bilateral trade surplus within five years.

They were submitted to both houses of Congress, respectively, by house majority leader Richard Gephardt, a Missouri Democrat, and Sen. Donald Riegle, a Michigan Democrat.

Hanabusa noted U.S. President George Bush has criticized the bills as blatantly protectionist. Bush has vowed to exercise his veto power if Congress passes the legislation.

The spokesman, attributing much of the bilateral trade imbalance to macroeconomic factors rather than microeconomic ones, called it "nonsensical" from an economic point of view to simply call for a measured reduction.

He said it is also nonsensical to target specific sectors the way the bills do, something [word indistinct] of "managed trade" and protectionism.

In submitting the bills, Gephardt criticized Japan for what he said is its alleged attempt to back off from a plan to step up procurements of U.S. auto parts announced during Bush's trip to Tokyo earlier this month.

He asserted Japan will not substantially open up its markets unless threatened with retaliatory measures.

Ishihara on Quality of U.S. Business Leaders

OW2501080392 Tokyo KYODO in English 0752 GMT 25 Jan 92

[Text] Tokyo, Jan. 25 (KYODO)—Shintaro Ishihara, author of the controversial book *The Japan That Can Say No*, blamed what he called the poor quality of U.S. corporate management for the present economic situation in the country.

"The quality of American business executives is poor although productivity of American workers is comparatively high," Ishihara, a ruling Liberal Democratic Party [LDP] member of the Diet, said in an interview with KYODO News Service.

Referring to a controversial remark by former Foreign Minister Yoshio Sakurauchi that American workers are lazy and illiterate, Ishihara said "his remark was half correct and half wrong." Ishihara added that "he should have said the quality of American business managers is inferior."

Ishihara said there is no doubt about the good quality of Japanese workers, compared with their American counterparts.

He added that if the United States comes to realize this, its economy, which is potentially strong, will recover quickly.

Assailing Prime Minister Kiichi Miyazawa's stance at the recent summit with U.S. President George Bush, Ishihara said Miyazawa should have taken a rational approach instead of an emotional sense of friendship in dealing with bilateral problems.

"If I, Foreign Minister Michio Watanabe or former LDP Secretary General Ichiro Ozawa were in charge of the negotiations, different results had been brought about," he said.

CIS Nuclear Disarmament Aid 'Not' Considered

OW2401114192 Tokyo KYODO in English 1135 GMT 24 Jan 92

[Text] Tokyo, Jan. 24 KYODO—Japan is not considering concrete measures to fund the dismantlement or storage of nuclear weapons in the former Soviet Union, the chief Foreign Ministry spokesman said Friday.

Masamichi Hanabusa also told foreign journalists he knew of no requests from Japan's Western allies to join any such assistance program.

"Technically speaking, we are coming to the end of the fiscal year and we have used up all the money available," Hanabusa said.

"Besides, I don't know whether the specific idea of assisting in destroying nuclear weapons has become a very concrete project yet," he added.

The U.S. Congress late last year allocated 400 million dollars to help the Commonwealth of Independent States (CIS) dismantle and store its nuclear weapons, most of which are deployed in Russia.

Washington wants most of the money to be spent to help the republics dismantle 15,000 short-range nuclear weapons that former Soviet President Mikhail Gorbachev had promised to eliminate.

Hanabusa said Japan is concerned about the possibility of commonwealth nuclear weapons and nuclear technology falling into the hands of rogue regimes or terrorists.

Prime Minister Kiichi Miyazawa said in a policy speech to the Diet earlier in the day that there is "great concern...over the possible outflow of nuclear weapons and other weapons of mass destruction or related technologies."

He said Japan intends to continue to "vigorously demand that these nuclear weapons be placed under a firm central command."

Miyazawa also called on all the commonwealth states other than Russia to promptly join the Nuclear Nonproliferation Treaty as nonnuclear states and urged "that nuclear weapons existing in these states be removed or destroyed as soon as possible."

The prime minister made no mention of possible Japanese assistance to realize the last demand.

Watanabe Departs for Moscow Mideast Peace Talks

OW2501060892 Tokyo KYODO in English 0559 GMT 25 Jan 92

[Text] Tokyo, Jan. 25 KYODO—Japanese Foreign Minister Michio Watanabe left Saturday for Moscow to attend an international conference aimed at advancing the Middle East peace process.

The conference, jointly sponsored by the United States and Russia, will be held on Tuesday and Wednesday.

Watanabe will meet Russian President Boris Yeltsin and Foreign Minister Andrey Kozyrev on Monday, Foreign Ministry officials said.

On Tuesday, Watanabe will deliver a speech at the conference on Japan's efforts to promote the Middle East peace process.

The conference follows the top-level Middle East peace talks in Madrid last October and a working-level meeting in Washington in December, in which the Arabs and Israelis sat down together at the negotiating table for the first time.

The officials said Watanabe's talks with Yeltsin, Kozyrev, and other Russian leaders include overcoming difficulties involved in Japan's granting of 100 million dollars in humanitarian aid pledged in late 1990 to the former Soviet Union.

The talks will also cover the timing of Japan visits by Yeltsin and Kozyrev and the date for a resumption of working-level bilateral talks on the issue of a Japanese-Russian peace treaty.

The peace treaty issue involves the knotty problem of resolving a territorial dispute over a group of small islands, located in the vicinity of the Russian far east island of Sakhalin and Hokkaido, the northernmost of Japan's four main islands.

The islands were seized by the Soviet Union at the end of World War II.

Russia Asks Delay in Yeltsin-Watanabe Meeting

OW2701043992 Tokyo KYODO in English 0354 GMT 27 Jan 92

[Text] Tokyo, Jan. 27 KYODO—Russia has requested a delay in a Monday meeting between President Boris Yeltsin and Japanese Foreign Minister Michio Watanabe until Wednesday, Prime Minister Kiichi Miyazawa said.

Dismissing speculation that Yeltsin might be in poor health, Miyazawa said Yeltsin is also asking for a delay in his talks with U.S. Secretary of State James Baker.

Watanabe was originally scheduled to return to Tokyo on Tuesday for parliamentary deliberations after attending the opening of the Middle East peace conference in the Russian capital.

In Moscow on Sunday, Japanese officials said Yeltsin has canceled the meeting with Watanabe.

"I can only assume something unavoidable happened," Watanabe told reporters. He said Yeltsin would be away from Moscow on Monday and Tuesday, and would skip the opening session of the two-day peace conference.

Chief Cabinet Secretary Koichi Kato said at a news conference that Miyazawa's meeting with Yeltsin, tentatively scheduled for Friday in New York, has not been finalized yet.

Miyazawa, meanwhile, referring to the Group of Seven (G-7) communique issued in New York on Saturday, said Germany's high interest rates were the only major contentious issue at the meeting.

The results of the G-7 talks were "so so," Miyazawa told reporters at his official residence.

In the communique, finance ministers and central bankers of the United States, Japan, Germany, France, Italy, Britain, and Canada called for spurring world economic growth.

Miyazawa To Call on UN Nations To Pay Dues

OW2701141392 Tokyo KYODO in English 1406 GMT 27 Jan 92

[Text] Tokyo, Jan. 27 KYODO—Prime Minister Kiichi Miyazawa told Norwegian Prime Minister Gro Harlem Brundtland on Monday that he will call on members of the United Nations to promptly pay their dues to the world body when he attends a U.N. Security Council summit meeting in New York on Friday.

Foreign Ministry officials quoted Miyazawa as saying he would call on U.N. members to promptly pay their dues and make up for their arrears when he makes a speech at the summit, which is to be attended by the heads of state or government of the 15 countries now holding seats on the Security Council.

The 1991 annual report of the office of the U.N. secretary general notes that unpaid membership dues now amount to more than 809 million dollars and that only 49 member countries have fully contributed.

In particular, the United States is about 500 million dollars in arrears. U.N. fiscal managers have repeatedly called for a permanent solution to payments for the regular budget and for peacekeeping activities.

Brundtland was quoted as saying that in reforming the U.N., it is also important that the power of the secretary general, now headed by Egyptian Butrus Butrus Ghali, be strengthened, especially as concerns conflict prevention.

The Norwegian prime minister, who arrived in Japan on Sunday for a four-day official visit, met separately with Environment Agency Director General Shozaburo Nakamura and former Prime Minister Noboru Takeshita earlier on Monday.

Miyazawa told Brundland that as the role of the U.N. is increasing, a number of reforms must be made to ensure its future effectiveness.

He cited as examples increasing the authority of the world body and establishing a system to ensure that the secretary general can acquire essential information promptly.

Officials said Miyazawa told Brundtland that following the disintegration of the Soviet Union, the world now faces a new era in which the international community must build a new order aimed at achieving global peace and democracy.

Miyazawa said the task entails firstly reductions of military expenditures.

He noted that military reductions would bring about the so-called "peace dividend," but said it should be a matter considered not only in terms of domestic savings, but aid to developing countries.

Officials quoted Brundtland as saying that she is aware there is a bill before the Japanese Diet that would allow Japanese participation in U.N. peacekeeping operations.

She said that while it is a matter for the Japanese people to decide, the more countries participating in peacekeeping operations the better.

Finance Minister Hata Comments on G-7 Meeting

OW2601032792 Tokyo KYODO in English 0311 GMT 26 Jan 92

[Text] New York, Jan. 25 kyodo—Bank of Japan Governor Yasushi Mieno said Saturday that Japan was not asked to lower interest rates at a meeting of the Group of Seven (G-7) major industrial nations held in New York the same day.

He was referring to a communique issued at the end of the meeting that stresses the need for a framework that would lower interest rates and spur productive investment for global economic growth.

Mieno said, however, that this point was not directly addressed to Japan and that he is not currently considering a further cut in the official discount rate.

The Japanese central banker was speaking to reporters after the financial and monetary authorities from the United States, Japan, Germany, France, Italy, Britain and Canada ended their meeting in Garden City.

Meanwhile, Japanese Finance Minister Tsutomu Hata said, "I understand that the G-7 nations accepted the current levels (of the yen's exchange rate)."

A Finance Ministry official accompanying Hata added: "I believe Germany will not raise its key lending rate from now on," hinting that if the country moves to change its monetary policy, it will be toward easing the key rate.

Mieno also said, "Japan was accepted with its monetary policy (by the other G-7 member nations), so there were no requests for change at all in the meeting."

[Words indistinct] recent cuts in the official discount rate were in line with the G-7 communique. The moves achieved favorable assessment (by the G-7 counterparts)," Mieno said, stressing that Japan has the freedom to follow a monetary policy based on its national interests.

Hata welcomed the fact that the G-7 communique reflected the Japan-U.S. accord on global growth strategy reached by President George Bush and Prime Minister Kiichi Miyazawa early this month in Tokyo.

The Japanese Finance Minister added, however, "Japan should be cautious about a further surge of the trade surplus."

Japan will therefore make further efforts to boost domestic demand and to increase imports by stabilizing the yen at relatively high levels, he said.

Finance Minister Rejects Easing Monetary Policy

OW2701114992 Tokyo KYODO in English 1116 GMT 27 Jan 92

[Text] Tokyo, Jan. 27 KYODO—Finance Minister Tsutomu Hata on Monday shrugged off the possibility of another official discount rate cut for the time being, saying that such a move could cause inflation and pull down economic growth.

Speaking at a press conference upon returning from Saturday's meeting of Group of Seven top finance officials in New York, Hata said additional measures taken by Japan on the fiscal and monetary front could lead to inflation and hamper the pace of economic growth.

Hata was referring to a communique issued after the G-7 talks that called for policy coordination aimed at sustainable growth, an appeal which some speculate is targeted at Japan and Germany [words indistinct] interest rates.

Hata gave support to the current level of the yen against the dollar on currency markets, despite warning of the danger of wide fluctuations in the yen-dollar rate.

"Rapid fluctuations (in exchange rates) are no good for any country. The present situation is favorable," Hata said, referring to the yen's recent strength against the dollar.

Hata also noted no G-7 nation raised the question of Japan's huge trade surplus at Saturday's talks, and added that he believes other countries understand the steps taken by Japan to boost domestic demand in order to reduce the surplus.

Japan's customs-cleared trade surplus widened to 78.23 billion dollars in 1991 from 52.15 billion dollars a year earlier, reversing a four-year narrowing trend.

Bank Governor: G-7 Endorses Monetary Policy

OW2701105392 Tokyo KYODO in English 1045 GMT 27 Jan 92

[Text] Tokyo, Jan. 27 KYODO—Bank of Japan Governor Yasushi Mieno said Monday that Japan's monetary policy was fully approved at the weekend meeting of the group of seven (G-7) major industrial countries.

Japan was not asked to take any specific action to boost the world economy, Mieno said at a press conference.

The central bank chief returned home earlier in the day after attending the G-7 meeting in New York.

The G-7 communique doesn't specify that Japan is expected to lower interest rates, nor that any country at the meeting asked Japan to do so, according to the central banker.

Japan will retain its cautious monetary stance, with price stability as the top priority, he said.

Mieno suggested the G-7 countries tacitly endorsed the current strength of the yen at the meeting, although he said there was no discussion concerning specific exchange rates.

"I don't feel I have to change my position that the yen should stabilize in an upward direction as a result of the G-7 meeting," he said.

"The (G-7) countries said they are happy about the current currency market, and reaffirmed their commitments to the stability of the market," he said.

Mieno also said the G-7 meeting doesn't mark any major shift in the stances of the G-7 countries to focus more on economic growth than on containing inflation.

Growth and price stability are both important policy targets to achieve noninflationary, sustainable growth of the world economy, he said.

Miyazawa Said To Accept Rice Tariffication

OW2501124792 Tokyo KYODO in English 1235 GMT 25 Jan 92

[Text] Tokyo, Jan. 25 (KYODO)—Prime Minister Kiichi Miyazawa has decided to accept a proposal to replace a ban on rice imports with tariffs, government sources reported Saturday.

The reports followed a remark by Miyazawa earlier in the day that it is too early for Japan to make a decision on the rice issue pending ongoing negotiations between the United States and the European Community (EC).

The sources said the prime minister made up his mind to accept the proposal so that Japan can lead the ongoing Uruguay Round of global trade negotiations to a successful conclusion.

The proposal for converting nontariff barriers to farm imports into tariffs without exception was put forth by Arthur Dunkel, director general of the General Agreement on Tariffs and Trade (GATT), as a basis for conclusion of the trade talks.

With Miyazawa deciding to accept the proposal, the government will launch a comprehensive study on the impact on Japanese farmers and relief measures for them, the sources said.

The government will not seek amendments to the staple food control act in view of opposition control of the House of Councillors, the upper house of Japan's parliament, the sources said.

The law allows the government to control rice production and sale, virtually banning import of rice.

The sources said Miyazawa's decision apparently was prompted by a U.S. indication that it would tolerate 600 percent tariffs on rice imported by Japan.

Dunkel also suggested that GATT will also accept a high tariff rate on rice imports by Japan, they said.

Miyazawa's aides said the high import tariff will help prevent Japan's rice market from being flooded with imports.

The aides said the prime minister favors acceptance of tariffication because it will benefit Japan more than a partial opening of the rice market.

The government sources said Miyazawa is expected to announce his decision in late February at the earliest.

Miyazawa, speaking in a news conference Saturday in Kashihara, Nara Prefecture, said he is waiting for the outcome of negotiations on the farm issue under way between the U.S. and the EC.

He said the end of February will be the deadline for Japan to make the decision on whether to accept Dunkel's proposal.

Ministry Considers Altering Ban on Rice Imports

OW2501134392 Tokyo KYODO in English 1315 GMT 25 Jan 92

[Text] Tokyo, Jan. 25 (KYODO)—In a departure from longstanding policy, the Ministry of Agriculture, Forestry, and Fisheries is considering altering the law that bans rice imports, ministry sources said Saturday.

The move follows Prime Minister Kiichi Miyazawa's remark earlier in the day suggesting Japan might have to accept a proposal by Arthur Dunkel, director general of the General Agreement on Tariffs and Trade (GATT), that would replace nontariff barriers on farm imports with tariffs.

Miyazawa was reported Saturday that he has decided to accept the so-called tariffication scheme, meaning Japan is ready to lift its ban on rice imports.

Japan insists rice is a staple food and self-sufficiency must be maintained for security reasons.

Under the law, the government controls the distribution of rice, buying the grain from growers at guaranteed prices and then selling it at a margin profit to consumers to protect such farmers.

The ministry sources said there is still room to make rice an exception to the GATT scheme, but noted there is little choice but to change the law, or the basis of regulations on rice imports.

They said a set of measures for rice growers is being considered in case the import ban is lifted, but did not provide details.

Equipment Maker Plans Hong Kong Subsidiary

OW2401083492 Tokyo KYODO in English 0815 GMT 24 Jan 92

[Text] Tokyo, Jan. 24 KYODO—Takakita Co., a second-tier agricultural equipment maker, said Friday it will set up a subsidiary in Hong Kong's Kowloon district in mid-February.

The subsidiary, Takakita (HK) Co., will be capitalized at 600,00 Hong Kong dollars, some 10 million yen, according to officials of the company based in Nabari, Mie Prefecture.

It expects annual sales of some 500 million yen in the first year.

Foreign Minister Watanabe's Diet Policy Speech

OW2401101092 Tokyo NHK General Television Network in Japanese 0544 GMT 24 Jan 92

[Foreign policy speech by Foreign Minister Michio Watanabe to the 123d session of the Diet at the main chamber of the House of Representatives on 24 January—live]

[Text] On the opening of the 123d session of the Diet, I would like to make a statement explaining the basic diplomatic policy of our nation.

The international community is now experiencing great changes never before seen in past history. The communist structure collapsed even in the Soviet Union, following what had happened in the East European countries. The Soviet Union no longer exists. The East-West cold war has ended, and many countries, one after another, are starting to adopt market economies in their systems.

On the other hand, nations in Western Europe are in the process of furthering cooperation toward integration. In the Asian and Pacific region, reform and open-door policies, based on market principles, are being adopted in the economic area. In Cambodia and the Korean peninsula, specific actions are beginning to be taken toward conciliation and stability.

Regional conflicts between the East and the West, supported by the cold war, are coming to an end in Africa as well as Latin America. Even where the confrontation and the struggle between Israel and Arab countries is concerned, dialogue participated in by all parties concerned has begun. Progress is also being made in the area of an armistice. All these changes are opening up bright prospects for mankind's future.

Meanwhile, the world today has many difficult problems. The former Soviet Union and the East European countries are faced with serious economic difficulties like unemployment, shortages of daily necessities, and inflation. Besides, the former Soviet Union is experiencing extremely unstable conditions, with confrontations going on over ethnic and religious issues, and power struggles between the new and the old.

We are very much concerned about the possibility that, due to the confusion in the former Soviet Union, such weapons of mass destruction as nuclear arms or technology related to them will flow out of the country, or that the grave situation of a dangerous nuclear power plant accident like the one at Chernobyl will take place.

As such, though regrettable, in this world now there continues to exist the danger that confrontations resulting from ethinic or religous issues or clashes over economic interests or territorial rights will develop into regional armed conflicts. In fact, in some cases, as seen in Yugoslavia, the collapse of the old structure can intensify the confrontation and struggles which have been suppressed heretofore.

Furthermore, the world is faced with problems that extend over national boundaries as in the case of environmental issues, and is being called on to take some measures regarding the problem of poverty in the developing nations. But in many industrialized nations which should be relied on to do something about this, the problems of their economic growth slowing down and the rising pressure of protectionism are gradually becoming serious.

Japan must have an answer itself as to how Japan should act in this international community that is changing much and drastically. That is because responses from Japan have come to have much direct and indirect impact on the formation of the international order.

Besides, Japan was named a nonpermanent member of the UN Security Council late last year. Japan must fully recognize the expectations the absolute majority of the UN member nations placed on Japan in electing it as a member.

Today when about half a century has passed since its defeat in World War II, Japan is the world's second economic power. But the reconstruction and development of Japan since the war were only possible because there was determination and effort by the people, and because there was assistance and cooperation from the United States and other friendly nations, backed up by the basic policies of the past governments embracing the market and free trade.

When we think about this, what Japan must do for the international community henceforth is self-evident. I believe that this is to make contributions toward the building of a new world order—not to speak of utilizing its economic and technological power under the spirit of international cooperation.

Today, when a mutual dependence relationship among the world nations is deepening, such international contribution is indispensable—to secure peace and prosperity for Japan itself.

There is no doubt that in pursuing international cooperation to build the new world order it is vital for Japan to deploy diplomacy, making better use of Japan's distinctive features than before. From this perspective, Japan will view the international cooperation for world peace as important, and will provide cooperation toward solving regional conflicts, securing regional stability, and promoting arms control and disarmament in all parts of the world.

At the same time, we will have to put our efforts to solving those problems that extend over the national borders and also to cooperating in the areas of culture as well as science and technology.

Besides, Japan must pay due consideration to such matters as freedom of individual people, democracy, and basic human rights. I believe that Japan's deploying such diplomacy will come to answer the expectations of the international community.

Japan's internatinal contributions should not be limited to cooperation in the financial aspect. Japan should make the maximum personnel contribution possible under our Constitution in incorporating the spirit of the UN Charter.

Only by making wide-ranging international contributions—including the personnel contributions that will mean requiring our people to shed sweat—can we realize the ideal of the peace constitution which professes Japan's desire to occupy an honored place in an international society and which strives for the preservation of peace and the banishment of slavery, oppression, and intolerance for all time from the earth.

The United Nations' peacekeeping operations [PKO] are the series of operations performed by the United Nations to preserve peace based on the spirit of the UN Charter, and they are activities requiring people to shed sweat—in other words, personnel contributions to the international community which so far are participated in by more than 80 nations of the world.

The so-called PKO bill, which we have asked the Diet to continue deliberating during this session, is truly aimed at providing a system whereby Japan can participate in such operations in a positive manner.

I hope by all means that with the understanding of the people of Japan, the bill will be passed and will be put into force during this session of the Diet so that Japan may be able to carry out its share of responsibilities in the international community. Please let it be so. [applause]

From the same perspective, I would also like to call on the Diet to pass and enforce the bill on the revision of the International Emergency Aid Law during this session.

Control and reduction of armaments are the keys to perpetuate international peace in the post-cold war period. In connection with this, Japan has been seeking an abolition of nuclear arms as the ultimate objective of the world's only atomic bomb victim. Japan has been taking a progressive policy not to get involved in arms trade and trafficking. We can be proud of these national policies.

As the international community takes a growing interest in the nonproliferation of weapons of mass destruction and in the control of conventional weapons trade, great hopes are entertained for Japan's leading role in these fields. In fact the international community has highly rated Japan's initiative at last year's UN General Assembly session regarding the establishment of an arms trade register system and providing four principles for Official Development Assistance [ODA] programs. These principles ensure that Japan's ODA will be offered after examining a developing nation's policies for military-related issues such as defense budget, possession of weapons of mass destruction, missile development, and arms trade.

Taking the opportunity of the end to the cold war, the government intends to offer further contributions to international efforts for nuclear arms control. In other words, Japan will further carry out its positive role in international efforts to strengthen control over proliferation of weapons of mass destruction and missiles, as well as international transactions of conventional weapons. In particular, Japan intends to drastically strengthen the safeguard systems of the Nuclear Nonproliferation Treaty [NPT] and do its best to finalize international negotiations within the year prohibiting the use of chemical weapons.

Nuclear development in North Korea, or the DPRK, is a serious threat not only to Japan but also to the Asia-Pacific region and the world overall. At a series of bilateral negotiations for normalizing diplomatic relations, Japan has been strongly urging North Korea to sign a safeguard agreement offered by the International Atomic Energy Agency [IAEA] and to immediately accept IAEA nuclear inspections without conditions. If the existence of nuclear fuel reprocessing facilities is confirmed in North Korea, Japan will strongly urge that nation to remove such facilities. In connection with this, Japan rates highly President Bush's recent nuclear reduction policy, which opened a way to confirm the existence of nuclear weapons on the Korean peninsula, and ROK President No Tae-u's decision to declare a removal of all nuclear weapons and facilities from his nation. Japan also welcomes a recent North-South joint declaration on denuclearization of the Korean peninsula as great progress.

The issue of nuclear arms control in the former Soviet Union has a great influence on international peace and security. Japan intends to strongly urge the former Soviet republics to place all nuclear weapons under strict and centralized control. Moreover, Japan takes a stance that all former Soviet republics except Russia should sign the NPT, and then abolish or remove all nuclear weapons as soon as possible.

As the international community faces a time of drastic change, it has become more important to secure noninflationary and sustainable growth for the world economy. Japan should play a positive role in achieving that objective. As the world's second-largest economic power—which grew up under the Bretton Woods system of the post- World War II world—Japan is responsible for taking the initiative in maintaining and strengthening the multilateral free trade system. As the first step, Japan has to contribute to a successful conclusion of the Uruguay round negotiations. The negotiations, which are very important for maintaining and strengthening the multilateral free trade system, are now entering the final phase following an introduction of a final draft plan at the end of last year. If the negotiations turn out be a failure, I think it will bring great adverse effects on the world economy and Japan's economy. As far as Japan is concerned, we will continue to make maximum efforts so that the negotiations may be concluded in success.

A country cannot perpetuate its one-sided prosperity under a free trade system which intensifies countries' mutual dependence. In connection with this, it is important for us to work on assistance programs for developing countries. Japan is located in the Asia- Pacific region where a large number of developing countries exist together, and we have realized our economic prosperity as a modern country owing to assistance and cooperation from advanced nations in the West. Therefore assistance to developing nations is Japan's duty as a member of the international community. Taking these facts into account, the fiscal 1992 budget plan—which will be discussed during the Diet session—includes 952.2 billion yen appropriated for ODA programs to achieve the objective indicated in the fourth mid-term ODA guidelines, even though the fiscal situation is very tight this year. Japan's future ODA programs will attach great importance to such new international problems as the global environment, refugees, and narcotics. Moreover, the government also plans to pay enough attention to improving the quality of ODA programs in accord with the fourth ODA guidelines. The government is seeking more effective and efficient implementation of ODA programs, viewing that Japan's ODA should be improved not only as hardware but also as software.

It is important for our country to seek harmony with advanced democratic nations which have a sense of values in common with us with regard to liberalism, democracy, and the market economy in order to promote the aforesaid diplomatic policy. Above all, a close cooperative relationship with the United States is the basis of our country's diplomacy. Strong and wide-ranging bilateral ties stand on the ground of the Japanese-U.S. security system and peace and security in the Asia-Pacific region. Moreover, bilateral ties serve as strong support for Japanese policy not to become a military superpower which may threaten foreign countries. Even amid reports of economic friction and confrontation between Japan and the United States, we must make efforts so that the mutual cooperative relationship centering around the Japanese-U.S. security structure will be further strengthened.

When U.S. President George Bush visited Japan, the two nations announced the so-called Tokyo Declaration to clarify their resolve to share international roles and responsibility under global partnership. This was a very timely action. As a matter of course, Japan and the United States should support each other to maintain sustainable growth of the world economy. As noted in the Tokyo Declaration, our country has announced measures for further opening the market from a standpoint of supporting the free trade system and will try its best to steadily fulfill its commitments.

Our country shares a sense of values not only with the United States, but also with European countries. We should seek closer relations with them. After all, EC member nations are currently trying to strengthen their relations through an economic, currency, and political merger. Since the EC is strengthening its influence in the international community, closer political relations and more frequent policy coordination consultations with the EC is another pillar of Japanese diplomacy. With this in mind, Japan signed the Japan-EC joint declaration in August 1991; this was one of the most remarkable events in the history of Japan-Europe relations. In addition to bilateral relations with each member of the EC, Japan will promote wide-ranging and cooperative relations with the EC overall from a global perspective.

Let me then introduce the policy for relations with Asia-Pacific nations. Bilateral and multilateral talks with Asia-Pacific countries, including the ROK, ASEAN countries, and Oceanian countries, will become much more important from now on as a forum for discussing regional and global cooperation both in political and economic fields. In addition to the promotion of favorable bilateral relations with those countries, Japan should participate positively in multilateral consulations like the ASEAN foreign ministerial talks and the Asia-Pacific Economic Cooperation [APEC] ministerial meetings to help build mutual confidence. There is still certain concern in the region about Japan's history and its current economic presence. Therefore, Japan must hold fast to its basic policy of not becoming a military superpower, a development that might threaten foreign countries.

Regarding the situation on the Korean peninsula, the government intends to use its diplomacy positively, both in economic and political fields, to secure long-range security in Northeast Asia through extensive consultation with the ROK, the United States, and China. Prime Minister Miyazawa's recent visit to the ROK was made to further strengthen Japan-ROK relations in line with governmental policy. On the foundation of the Japan-ROK friendship, the government will sincerely continue negotiations to normalize relations with North Korea so that Japan's future course of action will contribute to peace and stability on the Korean peninsula.

It is important to introduce a framework for the Asia-Pacific region's active economic development of Indochina to secure stability and growth in Southeast Asia. Therefore, it is necessary to work on the rehabilitation and development of Vietnam and Cambodia. Japan intends to offer positive support to UN efforts toward stabilizing and rehabilitating Cambodia to accelerate the efficiency of the nation's peace agreement. Moreover, Japan plans to host an international conference on Cambodia's rehabilitation sometime this year.

Another important point vital to stability and development of the Asia-Pacific region is that we should positively support the opening up and reform policy of China both politically and economically, as Japan is a friend of the nation with a population of over 1.1 billion. This year, Japan and China will mark the 20th anniversary of normalization of diplomatic relations. It is important to make the most of the opportunity to further promote cooperative relations between Japan and China so that bilateral ties, as we move toward the 21st century, contribute to stability in the Asia-Pacific region and to international peace. In connection with this policy, I recently visited China and had frank talks with Chinese leaders, not only on bilateral relations but also on such issues as arms control, arms reduction, regional security, and the global environment.

Moreover, the government will seek closer ties with Mongolia and some Southeast Asian nations, currently in the throes of democratic reform, to help introduce the market economy system and provide positive assistance to them. At the same time, cooperative relations with Australia and New Zealand will also be strengthened.

An important, immediate task for international politics is to help avert internal confusion in the countries of the former Soviet Union and sucessfully support and lead their efforts for democratic reform and the introduction of a market.

With this perspective in mind, I attended a ministerial meeting that opened 22 January in Washington for coordinating aid to the Soviet Union by all countries. I clarified Japan's readiness to play an appropriate role in helping these independent states overcome the problems they face. Japan must also resolve the northern territories issue with the Russian Federation, which says it has taken over the administration of external affairs of the former Soviet Union, at the earliest possible date. Japan must conclude a peace treaty in accordance with law and justice, and lay down the long-term basis for the foundation for development of Japanese-Russian relations.

On the basis of this understanding, the government intends to exert the utmost effort to attain the two policy goals of helping Russia stably promote reforms in the direction of helping democratic reform and the introduction of a permanent market economy, while resolving the northern territories issue at the same time.

East European countries are trying for democracy and the introduction of market economies in the face of serious economic difficulties. Japan intends to continue extending active support to them.

Improvement of relations with Middle East countries continues to be an important task for Japan. Therefore, Japan also takes a serious interest in ensuring long-term stability in the Middle East. With the Diet's permission I plan to personally attend a ministerial-level international conference on Middle East peace scheduled in Moscow next week and convey Japan's views.

Many African countries are grappling with democratic reform and economic structural readjustments under difficult conditions. Japan intends to support these efforts as much as it can. Japan recently resumed diplomatic relations with South Africa. Japan will further step up its approaches so that a free, democratic system will be established on a long-term basis in that country.

Many countries in Central and South America are promoting reforms based on democracy and market economies. Japan will support their reforms as much as it can. Japan also welcomes the recent agreement for peace in El Salvador and intends to continue making endeavors for stability in Central America.

The United Nations Charter and the United Nations were born on the basis of reflections on World War II and in search of lasting world peace. Due to confrontation between superpowers with different ideologies, however, its authority was not necessarily exercised according to its purpose. However, thanks to the collapse and a revolutionary policy change on the part of the Soviet Union, it can be said that the United Nations now finds it easier to return to its starting point and carry out its activities.

Even if progress is shown in disarmament and nuclear nonproliferation by superpowers, regional disputes regrettably do not cease. The world is faced with a number of questions that need to be surmounted, including the refugee, terrorist, narcotics, and global environmental pollution problems. Today the United Nations is given a new look and is expected to play a great role. Under these circumstances, Japan, which has been elected as a nonpermanent member of the UN Security Council, will strengthen its UN diplomacy, bearing in mind that it is in a position to play a central role for peace and security in the international community. In doing so, Japan intends to help strengthen its functions and promote structural reform so that the United Nations can cope with the new era.

Furthermore, the international community is faced with global environmental, refugee, narcotics, terrorist, and various other problems that transcend national borders; and Japan must strive for their resolution. Regarding the global environment, in particular, a UN environmental development conference is scheduled to be held this coming June with the aim of adopting a treaty on the framework for (?atmospheric) changes and a global charter. The government intends to play an active role in international programs on this issue by making the best use of its experience and technology concerning economic measures.

The presence of refugees, whose number is said to exceed 17 million all over the world, is a serious problem which greatly affects stability in developing regions. Concerning the acceleration of the return home of Cambodian refugees and other refugee problems in all parts of the world, Japan intends to further promote international cooperation, centering on the UN High Commission for Refugees and other UN organizations, and play an active role.

In carrying out diplomacy in the days ahead, it is also important to promote exchanges in the cultural, scientific, and technological areas. Cultural exchanges are conducive to deepening mutual understanding among the people of different countries, promoting relations of trust and establishing stable international relations. The government intends to strive for the expansion of cultural exchanges from long-range viewpoints. It also plans to extend active cooperation in the areas of the protection of cultural assets of the world and the protection and preservation of traditional cultures.

In the scientific and technological areas, it is important to accept foreign researchers and steadily carry out international academic and research projects.

As I have stated, the role Japan has to play in the UN community has become remarkably greater. To cope infallibly with the international situation in convulsive periods and carry out flexible diplomatic activities, it is necessary to strengthen the system which sustains them. In accordance with the first package of recommendations presented by the Provisional Council for the Promotion of Adminstrative Reform, I am resolved to strive for the strengthening of the diplomatic system with the understanding of the nation.

Japan must play an unprecedented broader role in building a new world order of peace. The conduct of such diplomacy exerts direct influence on domestic administration. For this reason I think that the question of whether or not fellow countrymen recognize Japan's position in the present international environment and the necessity of the role it has to play will be a turning point for the question of whether or not it will be possible to establish a common position with the opposition on diplomacy. [intermittent applause]

I am resolved to defend the national interests of Japan, which has no choice but to coexist with the world, by striving to make diplomacy as easy to understand as possible and by making appeals to each member of the nation. [applause] The road lies near at hand. As the saying goes, sincerity can move heaven. I am resolved to carry that into practice. I ask each and every member of the nation for his or her absolute support. [applause]

Finance Minister Gives Diet Policy Speech

OW2501130692 Tokyo NHK General Television Network in Japanese 0616 GMT 24 Jan 92

[Speech by Finance Minister Tsutomu Hata to the 123d session of the Diet at the main chamber of the House of Representatives on 24 January—live]

[Text] In asking the Diet to review the 1992 budget, I would like to state my basic thinking on the financial and monetary policies and to explain the budget's outline.

In the 40-odd years since the end of the war, our nation's economy has achieved outstanding growth rarely seen before in the world, after overcoming a number of tribulations, like the oil shock.

Our nation's position has gone up rapidly during this period. Japan is now strongly expected to perform a role befitting that position.

What Japan should seek in the future is to make the best of these economic achievements and to improve the people's quality of life so that everyone may feel affluence in his personal life. Overseas, I think, Japan should make fitting contributions to help stable growth in the world's economy.

Concerning domestic and overseas economic situations, in Japan personal consumption and capital investments appear to be sound, but the tempo of economic expansion is losing speed, which is evident in decreasing housing starts. Still, as far as employment is concerned, the tight situation continues, with a high ratio of effective labor demands to effective supplies persisting. Price trends indicate that domestic wholesale prices remain stable. Even the trend of increasing consumer goods prices is leveling off. Judging from these situations, it is possible to think that this nation's economy is unaffected by inflation and that it is growing and maintaining complete employment.

Viewing the international situation, industrial nations in general are in the process of recovering from an economic slump and are expected to achieve higher growth this year than last year. Because of the United States' slow economic recovery, however, the recovery in general is expected to lag.

Measures to deal with the worldwide increasing demand for capital funds in the future will continue to be an important issue. For this reason, the need to expand savings is being pointed out across the world. In addition, the problem of overdue debts requires continued efforts toward its solution.

The former Soviet Union collapsed at the end of last year, and the Commonwealth of Independent States, which consists of former union republics, was inaugurated. But the Commonwealth is faced with serious problems in such areas as economy and finance. I think it is important that appropriate policies for adjustment and reform be implemented with the help of international monetary institutions.

In operating financial and monetary policies henceforth, we will have to take into account these domestic and overseas economic situations. Looking ahead at the path this nation will follow in advancing toward the 21st century, we will also have to tackle with our best efforts various issues to be further explained below:

The first task should be to ensure smoothly implementing sustained growth—centering on domestic demand and without incurring inflation. We will carry out plans for this with adequate consideration for existing economic situations.

In drawing up the 1992 budget, although very difficult financial situations exist, we have tried to effectively prioritize allocating financial resources and respond appropriately to the times.

Maximum attention has been given particularly to the area of public work investments, regardless of whether they are central or local government projects. We have secured 5.3 percent growth in public work project expenses in general expenditures, and we have envisaged 10.8 percent growth for financial credit plans for public works organizations that will carry out the works. We have also foreseen a high 11.5 percent growth rate in local individual projects.

Regarding monetary operations, official discount rates were lowered three times last year—in July, November, and late December. Market interest rates have remained low as a result, and loan interest rates by banking institutions continue to decrease. Furthermore, in consideration of the fact that land prices have stabilized, total credit volume restraints on loans to the real estate industry have been lifted. We think this action will contribute to making available a smooth supply of funds necessary for purchasing housing land and constructing houses.

We plan to maintain the exchange market's stability by coordinating policies with other major nations and also by cooperating with them on operating exchange markets. We would like to assure that the nation's people can engage in economic activities with confidence in the future of this nation's economy.

The second task is to continue to push strongly for financial reform. In formulating the 1992 budget, from the perspective of pursuing such financial reform, we have made thorough efforts to economize and rationalize expenditures by revising existing systems for expenditures. We have made maximum possible efforts to limit general expenditures by containing their growth rate below last year's.

But to cope with the immediate problems of tax revenues and existing financial conditions, we have decided to raise the number of construction bonds to be issued. Consequently, the balance of government bonds is expected to run to 174 trillion yen by the end of the year. With expenses for government bonds exceeding 20 percent of the budget's expenditure, there will be considerable pressure on government policy implementation efforts. In other words, structural problems will still exist.

The purpose of financial reform is to enable government financial organs to regain their ability to cope with changing situations and thus to build up an affluent and energetic community wherein local and foreign financial requirements can be met in an appropriate manner.

Hence, in running finances henceforth, before the population begins aging in large proportions, we must build up a financial structure to ensure that the bond balance will not grow. We must reduce our dependence on government bonds and must maintain the principle of not issuing deficit-financing bonds again—so that excessive financial burdens are not left to future generations. For that reason, we are determined to do everything we can to carry out reform.

The third task is to build up harmonizing foreign economic relations and to make contributions to developing the world's economy. The world economy, as a result of expanded trade and direct investments, is further deepening interdependent relations. Now the situation is such that a country's economy can no longer stand without having smooth economic relations with other countries.

Under these conditions, I believe that Japan, which holds an important position in the international community, must make efforts to build up harmonized foreign economic relations and make active contributions to developing the world's economy. During the recent Japan-U.S. summit, Japan and the United States reconfirmed the importance of continuing coordinated efforts, together with other industrial nations, to contribute to sustaining economic growth and price stability in the future.

Protectionist moves need to be put to an end so that multilateral free trade positions may be maintained and further strengthened. Only when that is done can there be a basis for ensuring economic development of world nations and improving individual people's living standards. From this perspective, I think it important that Japan, in coordination with other countries, make efforts so that the Uruguay Round may be brought to a successful conclusion.

As far as the tariff system is concerned, from the standpoint of improving market accessibility, our policy is to improve the existing system controlling bonded areas and to act on reducing tariff rates for petroleum products.

Regarding the question of economic assistance, and to assist developing nations' efforts to help themselves, we have been expanding Official Development Assistance programs steadily and have been taking actions to help fund recycling.

To deal with the problem of overdue debts, we intend to support the new debt strategy and to provide other cooperation as necessary.

On the question of assistance to the countries of the former Soviet Union, we will provide appropriate support, in cooperation with other major industrial nations, in such a way as to promote the transition to a market economy under a new structure and to support various reform programs.

The fourth task is to lead monetary and capital markets toward liberalization and internationalization, and to make appropriate responses to various problems relating to securities and financing operations. Liberalizing and internationalizing monetary and capital markets will answer the needs of the people regarding finances and will contribute to promoting this country's economy.

I think international harmony in the monetary system will have much meaning for this country in order to carry out the role expected of it within the world economy. We have taken various actions one after another from this perspective. Particularly, as regards liberalization of deposit interest rates, we are making efforts toward concluding liberalization by 1994 at the latest.

Speaking about this nation's banking and securities transaction system, it is very important that we build up systems which are internationally acceptable. As such, there is a need for us to carry out reform of the banking system—based on reports of the Banking System Research Commission and the Securities Transanction Review Committee. The issue of firms desiring to newly participate in various functions within the banking market will be dealt with, as will other issues.

Last year there were a series of scandals uncovered involving the securities and banking industries. We admit it was a grave matter, and we regret that as a result the trust of the people in these institutions, both inside and outside the country, was badly shaken.

In its extraordinary session last year, the Diet, in an emergency act of legislation, cooperated in enacting a bill for the revised Securities Transaction Law, thus providing a basis for banning securities firms from compensating for losses incurred by favored clients. Additionally we took prompt action in checking on the overall operations of banking insitutions. At that time, the Ad Hoc Administrative Reform Promotion Council and special committees of the Diet pointed out that the government should come up with comprehensive measures dealing with the system itself as well as the administrative functions to be performed by the government.

The government thinks it should fully respect such reports and recommendations, and intends to draw up measures—legislative and administrative—to prevent recurrence of such scandals and to restore trust in our country's banking and capital markets. In order to bring about a securities market which is more just and transparent, the government will take necessary actions—including the inauguration of a new inspection and surveillance system. The government will also push for banking system reform to promote effective and appropriate competition in the banking and capital market. We are now preparing to present a bill regarding such reform during this session of the Diet.

Now I would like to explain the budget for 1992. As there now exists a very severe financial situation as we prepare the 1992 budget, we have decided to implement thorough economization and rationalization of expenditures, and seek to increase nontax revenues. We have also decided to increase the issuance of construction bonds and to take necessary actions in the area of tax revenues.

We have formulated our budget so that projects for social infrastructure improvement may be carried out steadfastly, and so that limited fund resources may be allocated, effectively and in a prioritized manner, to uses answering the needs of the time.

In expenditures, general expenditures amount to 38,698.8 billion yen. With local allocation tax grants and government bond expenses added to them, the general account budget amounts to 72,218 billion yen.

As for the authorized strength of national public servants, the government is steadily implementing the Eighth Authorized Strength Reduction Plan while strictly checking increases of personnel and striving to curtail the authorized strength of administrative organizational staff personnel numbering 1,372.

Next, I will explain revenues. First, as regards the taxation system, the government plans to raise the minimum taxation level as part of readjustments in the inheritance tax burden, and plans to broaden the range in tax rate classifications pursuant to the rationalization of the assessment of the land inheritance tax. From the viewpoint of promoting appropriate and fair taxation, the government intends to further readjust and rationalize special taxation measures for enterprises, abolish the artificial corporate taxation system, and suspend the application of the carryback refunding system for deficits of deficit-ridden corporates. It also intends to work out measures to introduce a taxation system for insufficient capital as a countermeasure against excessive borrowings from overseas affiliates.

Further, in order to cope with the current, stern tax revenue trends and financial situation, the government plans to request that special corporate taxes be introduced as a new, minimum, and necessary step, and that an exceptional measure of setting the rate of the consumption tax on ordinary passenger cars at 4.5 percent be approved.

The government intends to invalidate the provisional special corporate tax, the provisional special oil tax, and the temporary measure of assessing a 6 percent consumption tax on ordinary passenger cars—which was to support the Gulf war at the end of fiscal 1991. The government will continue striving to implement the invalidation of decrees on a more appropriate and equitable basis with the trust and cooperation of the nation.

The amount of government bonds to be issued is set at 7.28 trillion yen. The aggregate of public bonds to be issued, including refunding bonds, will amount to 28,778 billion yen.

As for the fiscal investment and loans plan, the government strove for prioritized and efficient allocations, taking the current economic situation into consideration and actively meeting policy requirements for the maintenance of social overhead capital, contributions to the international community, and the vitalization of local areas. As a result, the fiscal investment and loans plan amounts to 40,802.2 billion yen, or a 10.9 percent increase over the original plan for the preceeding year. The ordinary fiscal investment plan—excluding fund operations—amounts to 32,262.2 billion yen, or a 10.8 percent increase.

Next I will discuss major expenditures. As regards public works expenses, the government strove to expand them in view of the importance of infrastructural improvements, giving consideration to the market. At the same time, it meant to secure works for promoting infrastructural improvements which have heretofore been carried out through the use of revenues from the sale of Nippon Telegraph and Telephone Company [NTT] shares.

In the allocation of public works, the government plans to place emphasis on those areas which will contribute to the improvement of the quality of the national life—such as environmental hygiene, housing, waterworks, sewerage and parks—and to give thorough consideration to the actual circumstances of local areas.

In particular, in housing measures the government strove to substantiate policies by raising the ceiling for loans issued by the Housing Finance Corporation, by supplying houses for the vitalization of local areas, and by promoting the reconstruction of public leased houses.

As for five-year plans for afforestation and riparian improvements, which mature at the end of fiscal 1991, as well as for a forest maintenance plan to be formulated anew, the government plans to formulate them appropriately. As regards social security expenses, it is an important task to form a vital welfare society by the 21st century. For this reason it is necessary to build a system which will function stably and effectively in the future. From this viewpoint the government intends to review the government-administered health insurance and employment insurance systems.

The government is steadily carrying out 10-year strategies for the promotion of insurance and welfare for the elderly so that all people can spend their declining years free of anxieties, at the same time paying detailed attention to policies closely associated with people including [words indistinct] for securing talent for insurance, medical service, and welfare affairs.

As for expenses for the promotion of education and science, the government will review the distribution of revenue sources between elementary, secondary, and higher education through a review of burden sharing by national and local governments involved in the grant-in-aid administration. Thus it will strive to improve and substantiate higher education and academic research, secure expenses for the maintenance of public school facilities and equipment, and enrich policies for the promotion of life-long study programs and the development of arts, culture, and sports. At the same time it will carry out policies for the promotion of basic, creative research as well as science and technology.

Regarding expenses for medium and small industries, the government plans to strive for the substantiation of policies for supporting the creative development of local medium and small businesses, and the communion and utilization of distribution among medium and small businesses.

As for the agricultural, forestry, and fisheries-related budget, the government will strive for the development of agriculture mainly through the improvement of its productivity, and will raise the independence of Japanese agriculture as an industry, taking the domestic and foreign situations surrounding agriculture. It will also carry out policies that contribute to vitalizing the rural community.

With regard to economic cooperation expenses, the government intends to increase the Official Development Assistance [ODA] budget by 7.8 percent, taking the fourth mid-term target and its balance with other expenses into account. It plans to strive for appropriate assessment and further improvement of the substance of aid in order to make it effective and efficient.

As for defense-related expenses, the government strove to curb them as much as possible under the Mid-Term Defense Buildup Program, taking into account the stern, current fiscal situation as well as the international one, which is still moving toward stabilization of international relations. At the same time, it intends to promote the maintenance and improvement of a balanced system for defense on the whole by striving for the substantiation of the logistical sector.

As regards expenses for energy measures, the government plans to steadily carry out a comprehensive energy policy from intermediate- and long-range viewpoints, taking into consideration the importance of international cooperation in the preservation of the global environment and energy measures.

Concerning local finances, the government plans to implement exceptional measures as a means of adjusting the local allocation tax between fiscal years after securing the total amount of the required local allocation tax for smooth operation of local finances, while working out medium-term measures for making local finances sound. The government calls on central public organizations to further promote the reduction and rationalization of expenditures and implement more efficient fiscal operations and distributions.

Now, I have explained an outline of the draft fiscal 1992 budget. I entreat you to please understand the role this budget will play under the current situation, and approve it as early as possible after your deliberation.

In the 21st century Japan is expected to usher in a full-scale elderly society unprecedented in the world. We must create an economic community which is really affluent and full of vitality, in which each and every member of the nation and the children can feel happy in that century, and which can play a proper role in the international community. To this end it is ncessary to lay a firm foundation in the remaining years of the current century.

By steadily accomplishing the tasks I have mentioned, we intend to fulfill our responsibility to the best of our ability for the 21st century. I am convinced that such honest efforts we make today will infallibly lead to further development and prosperity in the new era. I earnestly request the understanding and cooperation of each and every member of the nation. [applause]

Legislative Panel Discusses Rice, Reform Issues

OW2601113592

[Editorial Report] Tokyo NHK General Television Network in Japanese at 0000 GMT on 26 January carries a one-hour panel discussion entitled "Opening of the Regular Diet Session—How Will It Tackle Major Tasks?" The panel consisted of Chief Cabinet Secretary Koichi Kato; Yoshiro Mori of the ruling Liberal Democratic Party [LDP]; Masaru Hayakawa of the main opposition Social Democratic Party of Japan [SDPJ]; Nobuaki Futami of the opposition Komeito; Hiroshi Kikunami of the opposition Japan Communist Party [JCP]; and Kansei Nakano of the opposition Democratic Socialist Party [DSP]. The discussion was moderated by NHK commentator Ichiro Maeda.

After explaining that an interpellation Diet session to the government policy speeches will be held for three days beginning 28 January, and that the upcoming Diet regular session will grapple with many major policy tasks, Maeda says that the government spokesman and policy makers of major political parties are present at the panel discussion, and he intends to ask them how the government and their parties will handle the major policy tasks at the regular Diet session.

Asked by Maeda to comment on the government policy speeches—including Prime Minister Miyazawa's general policy speech—Mori and Kato rated highly the prime minister's policy speech, saying his speech presented a vision for Japan's future. Hayakawa of the SDPJ said that the prime minister's general policy speech regarding so-called full-fledged government "failed to state that he will work for political reform, adding that he feels very regrettable for his failure to state it." Other opposition party participants were also critical of the prime minister's general policy speech.

After discussing political reform, Maeda asked the participants to express their views on the defense budget. Hayakawa stressed that "cuts in defense spending are inevitable" in the present world situation, and the government is being pressed to sweepingly review the current Five-Year Plan for Defense Buildup as well as the Defense Buildup Guidelines. Hayakawa also stressed the need for opposition parties to forge alliances to cut back on the defense budget. Futami of Komeito asserted that the defense budget be cut, citing deep cuts in defense spending in both the United States and the former Soviet Union, and adding that his party intends to cut the defense budget by 100 billion yen. Nakano of the DSP said that his party also will "seek a review of the current defense buildup plan," citing the world situation which is presently moving toward disarmament. Asked by the moderator to comment on defense spending, Kato said that "the government anticipates debates will be held on reducing the defense budget," and added that the government already curbed growth in the proposed defense budget for fiscal 1922. Kikunami of the JCP then said that "his party has consistently asserted the need to reduce the defense budget," citing plans by the United States, Britain, and Germany to cut back deeply on their defense spending; he also criticized the LDP's stance on the defense budget. Kikunami criticized the "Tokyo Declaration, released during President Bush's visit to Japan, as an attempt to further increase the defense budget," claiming that the declaration clearly provides for Japan's increased burden for the cost of maintaining U.S. forces in Japan. Other opposition participants stressed the need to slash the defense budget. In response to assertions by the opposition participants on the need to cut the defense budget, Mori of the LDP said "the government will change its defense policy based on the view that Japan needs to defend itself on its own," citing ethnic conflicts around the world. He added that the LDP will begin reviewing Japan's defense policy this February.

Turning to the rice issue, Maeda asked the panel to express their views on the issue, and first asked Kato how the government will handle the issue. Answering the question, Kato said: "It was once reported that the foreign minister had stressed the need for Japan to deal flexibly with the issue, but those reports were not accurate. The government intends to advocate to the end its conventional basic policy on rice because the Dunkel Paper is not a final proposal. Many other nations are now engaged in various diplomatic negotiations after concluding that they can amend the paper, and they reflect their assertions in the paper. Japan will also do the same. The Dunkel Paper is not confined to agriculture; it includes computer and intellectual property rights. Japan is asking Mr. Dunkel to rationally analyze how his paper will affect those nations concerned. I believe Japan, like other nations, needs to also rationally analyze the paper. Mr. Watanabe has asked other cabinet members to analyze the paper and explain the result of his analysis."

Asked by the moderator whether the LDP will carry through its conventional position of opposing rice import liberalization, Mori of the LDP saids: "As the chief cabinet secretary just said, negotiations on rice will begin from now. Food exporters like the United States and member nations of the EC are facing problems resulting from export subsidies for farm produce. A prevailing view is that they are seeking a solution of their problems in negotiations with food importers. Japan is a food importer. A substantial portion of the Dunkel Paper is found to be unfair. The paper calls for removing import barriers for food and farm produce through tariffication without exception. For example, there are many exceptions in the maritime and intellectual services. At present, while the government is negotiating in Geneva, people at home should avoid mentioning any change in the government's stance on the rice issue."

Asked to comment on the rice issue, Hayakawa of the SDPJ said: "In general I share Mr. Mori's view on the rice issue. At present, Japan imports only 50,000 tons of rice, and does not export any. Therefore, Japan does not affect the rice trade or the world rice market. Rice is a stable food in Japan, and Japan's self-sufficiency rate in calories stands at 30 percent, falling well short of 50 percent. With its self-sufficieny rate in grains running at 30 percent, compared with other industrialized nations Japan is at the lowest level. As the chief cabinet secretary just said, the government should speak out regarding Japan's situation, and I share his view. Needless to say, therefore, the LDP is opposed to liberalizing rice imports and opening Japan's rice market through tariffication. I am greatly concerned about the possibility of Japan's agriculture collapsing of itself. Only 1,800 offspring want to take over farming from their parents. Farming on an area roughly the size of Shikoku has been abondoned. The issue of rice market liberalization is exacerbating the situation surrounding this basic food, the farming of which is in danger of collapsing. We must not accept this destruction of our agriculture because of pressures from inside and outside the country. We are opposed to liberalization. Our position is that we should think about the question of reconstructing Japanese farms."

The moderator then asks Komeito's view on the rice question, recalling that "for a while Komeito talked in favor of partial liberalization," adding: "In the party there are now strong voices for objecting to the tariffication."

Futami replied: "We have given full discussion to the matter. We had delegates from across the country assemble on 23 January to hold a second meeting on the question. The majority of the people at the second meeting were against the tariffication. Of course, there were among them some who thought that tariffication would be unavoidable if we were to defend the GATT's free trade posture, but the party's stand is against tariffication.

"While the discussions were in progress, I had to think. Suppose 1 million tons of rice come in as a result of tariffication. Since Japanese farmers can produce about 5 tons of rice on an acre of land, if 1 million ton of rice comes in, 200,000 farm households will have to leave their farms—comparable to bankruptcies for businesses and unemployment to workers. Politicians must understand the pains of 200,000 farm households losing jobs in case 1 million tons of rice is allowed in. If they cannot understand this, they are not politicians. I had to think about this. I am against tariffication.

"A common view also expressed was that it is not time just to voice objections. The people agreed it is time to take drastic measures to encourage farming. Not to speak of those who objected to tariffication, even those who thought tariffication would be unavoidable agreed on this view."

Maeda then requested JCP's Kikunami to give his view on the rice issue. Kikunami said: "Mr. Kato and Mr. Mori said that the Dunkel paper is not the final draft, and hence can be revised. They spoke rather negatively of the paper and insisted that the paper can be revised. But the reason why this matter has turned into such a big issue is because Prime Minister Miyazawa made such [lukewarm] remarks as information is necessary regarding the matter because the Tokyo Declaration issued at the time of President Bush's visit procliamed the Dunkel paper as an important step, and because the new action program of the LDP dropped all words about supporting the past three Diet resolutions objecting to rice market liberalization. That is why this has become such a big issue.

"We cannot pass over this question, saying that the Dunkel paper is not final. We must clearly declare that we cannot accept the Dunkel paper. We are now at the final stage of negotiations and must take a firm stand—without being shaken up. It is that sort of issue.

"To state the JCP's view on the Dunkel paper, we repeat that the paper is only a draft. There is no reason why we have to accept it. In fact, the EC nations are saying the paper is only informational. The French Government has made it clear it will reject the paper; and last year 20 nations expressed objections to tariffication without exception. I am not making this story up; government papers show these things. As such, we must never say there is no choice but to accept tariffication because that is the general trend. I feel we must make the position clear that we are against rice import liberalization by all means, and we will protect this country's agriculture."

Maeda then turns his question to Nakano of the DSP, asking about the party's view on the question of rice market liberalization.

Nakano stated: "We also do not think the Dunkel paper is a final draft. The government is carrying out negotiations in this regard based on the Diet resolutions. I hope the government will do all it can until its wish is accepted. Meanwhile, I think we must not say things that will trip up the government. If we hear the reported remarks of Prime Minister Miyazawa and Foreign Minister Watanabe, the government is the one which is making remarks that could be compromising. I hope the government will take up diplomatic negotiations from a firmer position, and I hope the people will be more careful in their remarks outside the negotiating table .

"Improprieties in speech by politicians have been a cause for reproach by other nations. There have been too many instances of people in Japan making apologies and amends for slips of the tongue. I call on the people to be more cautious. Besides, while negotiations are underway we must do something to restructure and strengthen Japanese farms."

The last topic in the panel discussion was the peacekeeing operations [PKO] bill the Japanese Government wants the Diet to pass during the current session. Maeda asked the SDPJ's Hayakawa: "I think the future of the PKO bill depends on whether it can be revised. Will the SDPJ participate in deliberations of the bill if the revision is a condition?"

To which Hayakawa replied: "What matters is the contents of the revision. It has taken some time for the bill to be moved to the upper house from the lower house. Yet we think there is no change since the bill still aims at enabling Self-Defense Forces [SDF] troops overseas. They want to send out troops over the limitations of the United Nations; there is the problem of the possibility that force may be exercised and arms may be used by them—actions conflicting with our Constitution. Of course, there is also the problem of ensuring civilian control. After taking all these into consideration, our basic position is that the bill should be scrapped."

Komeito's Futami did not agree with Hayakawa on the PKO bill issue, and insisted that Japan's participation in international peacekeeping operations is necessary. He stated: "We must come up with measures that reflect the people's intentions and have the understanding of the nation. We have to come up with ideas."

Kikunami flatly rejected the bill, saying that the basic purpose of the bill is to send SDF forces overseas, while Nakano expressed a stand of supporting the bill if some conditions on ensuring civilian control are acceptable.

North Korea

Delegation to Talks With U.S. Returns Home

SK2601090192 Pyongyang KCNA in English 0841 GMT 26 Jan 92

[Text] Pongyang January 26 (KCNA)—A delegation of the Democratic People's Republic of Korea led by Kim Yong-sun, secretary of the Central Committee of the Workers' Party of Korea [WPK], returned home today by our plane after participating in the DPRK-USA high-level talks.

It was met at the airport by Secretary Yun Ki-pok and Vice- Director of a department Kwon Min-chun of the WPK Central Committee and Vice-Minister of Foreign Affairs Song Ho-kyong.

U.S. Lawmaker's Report Shows New War Offensive

SK2701060692 Pyongyang KCNA in English
0522 GMT 27 Jan 92

["High-handed Threat With Strength"—KCNA headline]

[Text] Pyongyang January 27 (KCNA)—Aspin, chairman of the Armed Services Committee of the House of Representatives of the United States, in his recent report on reorganizing the United States' conventional combat power into a system to cope with "regional potential hostile states" from the old system directed against a superpower, defined the DPRK as a "potential hostile state" and listed China, Iraq, Iran, Syria, Libya, Cuba, etc. as such nations, saying that the U.S. combat power should be organized to possess such combat capacity as in the Gulf war, if these countries "invade" others.

This is a high-handed threat and blackmail with strength and an ill-boding move for intensifying the policy of military confrontation with the DPRK by putting the strategy of "settlement of regional disputes" into top gear. It is also a vicious scheme to get their clutches on natural zones, strategic zones and go ahead with their design for world supremacy at a time when the system of superpower rivalry has collapsed, a NODONG SINMUN analyst today says, and continues:

Though the U.S. authorities are advertising the termination of the cold war, the United States is, in actuality, raising another howling wind of cold war.

Aspin said the "North's threat to South still exists" and "North Korea might become a regional aggressor" and, then, the United States will launch such an operation as "Desert Storm" in the Gulf war and massively hurl the U.S. Airforce on to the Korean front. This clearly indicates that the new offensive of the cold war by the U.S. imperialsits is levelled at the DPRK and fully reveals their schemings to start another war in Korea.

By mumbling about conventional combat power, the United States is claiming that it has slackened the means and method of confrontation in its strategy of "settlement of regional disputes". But this is deception. Boastfully blaring that various kinds of conventional arms little short of nuclear weapons in destructive power were tested in the Persian Gulf war, the United States said such arms would be fully used in the strategy of "settlement of regional disputes" and it is now bringing such kinds of weapons into South Korea. The United States intends to show the brutality it displayed in the Persian Gulf war again on the Korean peninsula.

The United States, going against the people's desire for peace and stability, is dreaming of establishing a "new international order" in which it would decide everything and act an emperor by means of bringing other countries and other nations to their knees by strength.

The U.S. imperialists' war moves levelled at the Korean peninsula under the pretext of countering a "potential hostile state" is an unpardonable act to turn back the developing situation in which a positive prospect of peace is opening and sentiments for peaceful geunification are growing.

The Unted States is a party responsible for ensuring peace on the Korean peninsula. If it is to discharge its obligation, it, above all, must renounce its outdated Korea policy and end the U.S. forces' South Korean occupation which endangers peace.

Report 'Directed Against' DPRK

SK2601084592 Pyongyang KCNA in English
0824 GMT 26 Jan 92

["Powder-Reeking Document Against Detente on Korean Peninsula"—KCNA headline]

[Text] Pyongyang January 26 (KCNA)—The chairman of the U.S. House Armed Services Committee published a report on reorganizing the conventional combat forces of the United States from the old system of countering the former Soviet Union to a system against some "regional potential enemies" like the Democratic People's Republic of Korea," a Seoul-based radio reported on January 25.

This shows that those who do not want detente on the Korean peninsula are much displeased with a series of agreements reached between the North and the South of Korea of late and are recklessly trying to impair them at any cost.

As is known, the North and the South of Korea in a provision of the agreement adopted in mid-December last year promised each other to refrain from the use of force against the other and from invading the other by force of arms.

Can it be presumed that those debating policies in the U.S. Congress were not informed of it when they were working out this document?

Judging from all this, one may say that the United States is still obsessed with the outmoded concept of confrontation against the trend of the times, opposed to a peaceful reunification of Korea and is intending to leave the Korean peninsula under the dark clouds of war of aggression.

Shifting the target of the conventional combat forces from someone to us means openly declaring that the sharp edge of the aggressive global strategy of the United States would be directed against us.

Daily Urges U.S. To End 'Smear Campaign'

SK2601033092 Pyongyang Korean Central Broadcasting Network in Korean 0023 GMT 26 Jan 92

[NODONG SINMUN 26 January commentary: "What Is the Slanderous Propaganda Aimed At?"]

[Text] According to a report, the U.S. CIA director, speaking before the U.S. Senate Armed Forces Committee, raved that our Republic is selling other countries long-range missiles and missile technology. This is nothing but slanderous propaganda aimed at hurting the international prestige of our Republic, isolating us, and justifying their bringing modern weapons into South Korea and transfering military technology to South Korea.

It is well known that the U.S. imperialists have systematically conducted an anti-DPRK smear campaign with reckless fabrications according to their needs. They frequently blamed us, fabricating lies such as our supplying arms to other countries and exporting military technology. However, all these past fabrications invented by those who excel in working out false propaganda in the secret rooms of the U.S. CIA have already proven false.

Falsehood is always outdone by the truth. The pouch of lies carried by the U.S. CIA director is no exception. There is a reason for the typical false U.S. propaganda aimed at our Republic. Our Republic's principled external policy whose ideals are independence, peace, and friendship are supported by the hundreds of millions of people of the world. Therefore, we have friends all over the world, and the international prestige of the Republic is being enhanced with each passing day.

Our Republic has never done, past or present, anything that can destroy peace and security and result in discord and bloodshed of people, nor will it do such a thing in the future either. Recently, the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South was adopted and the North-South Joint Declaration on the Denuclearization of the Korean Peninsula was announced. This is the natural fruition of the antinuclear line for peace and reunification of our party and the government of the Republic.

Because of our consistent efforts, the situation on the Korean peninsula has begun to move toward detente and peace. Needless to say, all these developments displease the U.S. military circles and irritate them.

It is like the thief turning on the owner that the United States blames us and engages in false propaganda against us. As for selling arms to other countries, the United States is by far the largest arms seller in the world. The death-bringing U.S. arms dealers fattened themselves selling $41 billion worth of arms last year alone. The arms deals increased so much that even the legislators of the U.S. House of Representatives, including the chairman of the U.S. House Foreign Affairs Committee, wrote a letter of protest to the U.S. President.

The U.S. arms sales for this year are likely to increase even more. It is not surprising that the United States sometime ago disclosed its plan to hand over various types of lethal weapons, such as Patriot missiles and their parts, to some countries including Taiwan. The United States hands over enormous quantities of arms to South Korea every year. In the security consultative meeting with the South Korean puppets last year, the United States discussed the arms buildup of the puppet armed forces and the transfer of military technology. These maneuvers of the United States are becoming the object of denunciation of the peace-loving people of the world. Therefore, the United States is attempting to justify the criminal maneuvers it is engaged in by blaming us.

If the United States thinks that it can attain its objective by such a mean act, it has miscalculated. At a time when the DPRK-U.S. high level talks are being held, it benefits neither side that it commits an act of throwing a wet blanket over things.

The United States should give up its bad habit of recklessly blaming others and habitually engaging in smear campaigns against them.

'Credibility' of U.S. Nuclear Withdrawal Doubted

SK2601083992 Pyongyang KCNA in English 0810 GMT 26 Jan 92

[Text] Pyongyang January 26 (KCNA)—U.S. CIA Director Gates told the Senate Armed Services Committee on January 22 that "North Korea would develop nuclear weapons in two or three years," according to the Japanese NIHON KEIZAI SHIMBUN.

This is a jargon which could be let out only by those accustomed to vilify others for their aggressive aims.

As everyone knows, not only once have we stated that we have neither intention nor capacity to develop nuclear weapons. And, early this year, we expressed our willingness to sign the nuclear safeguards accord in the near future and accept nuclear inspection. Furthermore, we are now striving to bring into practice "Joint Declaration on the Denuclearisation of the Korean Peninsula" recently agreed upon and adgpted between the North and the South.

In disregard of such peaceloving efforts on our part, the U.S. ruling quarters are still resorting to fabrications. And why ?

It is to isolate and weaken by all means the DPRK which is advancing under the unfurled banner of socialism.

And this shows that they are not pleased with the publication of "Joint Declaration on the Denuclearisation of the Korean Peninsula".

The false propaganda made by them over the nuclear problem makes us doubt the credibility of their announcement that U.S. nuclear weapons have been withdrawn from South Korea.

The U.S. imperialist aggressors must stop slandering others with lies and fabrications and obstructing detente on the Korean peninsula.

U.S. Pacific Air Force Stages Exercises 23 Jan

SK2501050492 Pyongyang KCNA in English 0426 GMT 25 Jan 92

[Text] Pyongyang January 25 (KCNA)—The U.S. Pacific Airforce Command Thursday staged a provocative aerial electronic exercise aimed at a surprise attack on the North in the skies above South Korea, according to military sources.

More than 200 fighter-bombers, assault and observation planes and electronic jamming planes were hurled into it.

On the same day, the U.S. imperialists sent a Pacific-based KC-130 tanker plane to the West Sea and staged an exercise of mid-air refueling of dozens of fighter-bombers belonging to the U.S. Airforce.

They also committed aerial espionage on the northern half of Korea on ten occasions by mobilizing a high-altitude strategic reconnaissance plane U-2 and army tactical reconnaissance planes of various types.

That day combatant ships of the South Korean puppet navy massed in waters off Kangnung staged a naval attack and landing exercise against the North with the support of F-4 and F-5 fighter-bombers.

Meanwhile, special warfare and infantry units of the puppet army held a winter frost-resisting war exercise and a guerrilla and attack operation exercise aimed at breaking through the frontline area at night and infiltrating into the depths of the North.

A 105 mm artillery group of the puppet army fired scores of shells into an area adjacent to the demilitarized zone and its armed personnel fired hundreds of 12.7 mm large-calibre machine gun and M-16 rifle bullets.

And formations of armed and transport helicopters of the puppet army staged exercises of night parachuting, dropping of supplies and air strike.

The fighter-bombers, assault, observation and reconnaissance planes, electronic jamming planes, helicopters and transport planes mobilized in the war games against the North in the skies above South Korea on January 23 alone totaled more than 600.

U.S. Plan for 'Radio Free Asia' Denounced

SK2401055892 Pyongyang KCNA in English 0455 GMT 24 Jan 92

["Anachronistic Scheme for Smear Campaign"—KCNA headline]

[Text] Pyongyang January 24 (KCNA)—The United States formed a special committee recently in its scheme to dismantle Radio Free Europe which played "a big role" in the revival of capitalism in some European countries and establish "Radio Free Asia".

This tells that the target of the United States' anti-communist, anti-socialist strategy has been shifted to socialist countries in Asia and its tricky moves are reaching a new grave phase in this region, says NODONG SINMUN in a commentary today.

The analyst notes:

It is widely known to the world that "Radio Free Europe" under the baton of the U.S. CIA has earned itself ill fame for its anti-communist, anti-socialist subversive propaganda and spread of bourgeois ideology and culture for many years.

It is a challenge to the Asian socialist countries and interference in their internal affairs that the United States is planning to establish such a despicable propaganda base in Asia.

The U.S. ruling quarters seek to demoralize and degenerate the peoples of socialist countries in Asia ideologically and culturally and thus destroy their socialist faith and ideal, create an illusion about capitalism, foster anti-socialist elements, create social confusion and disorder and finally revive capitalism in these countries. In this they pin great hopes on such a dastardly mouthpiece as "Radio Free Asia." The basic mission of this radio is to disorganize socialist countries in Asia by blowing the wind of "liberalism" into them.

The United States is now aiming the arrow at our Republic. Its strategic intention is to destroy our Republic and make a breakthrough here in executing its anti-socialist Asia strategy. With this aim in view, they are keeping their forces in South Korea and rounding off preparations for a war against the North, while stepping up the anti-DPRK smear campaign full of falsehood and fabrications.

It is as clear as noonday that if "Radio Free Asia" is established, their false, subversive propaganda against our Republic would be intensified.

It is a foolish attempt for the United States to try to degenerate our country and other socialist countries in Asia ideologically, politically and culturally by such method and thus introduce capitalism into them.

At present, the Asian socialist countries are rejecting the U.S. scheme.

The United States must give up the anachronistic way of thinking and ambition.

South's Daewoo Group President Departs 25 Jan

SK2501104592 Pyongyang KCNA in English 1016 GMT 25 Jan 92

[Text] Pyongyang January 25 (KCNA)—President of the South Korean "Daewoo Business Group" Kim U-chung and his party left here today.

They were seen off at the airport by Kim Tal-hyon, vice-premier and chairman of External Economy Commission, and officials concerned.

Vice Premier Receives PRC Trade Delegation

SK2701111992 Pyongyang KCNA in English 1048 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—Vice-Premier Kim Tal-hyon met and had a friendly conversation with the government economic and trade delegation of China headed by Wang Wendong, vice-minister of foreign economic relations and trade, at the Mansudae Assembly Hall Sunday [26 January].

Present there were Kim Chong-u, vice-minister of external economic affairs, and Zheng Yi, Chinese ambassador to Korea.

Joint Trade Agreement Signed

SK2601092092 Pyongyang KCNA in English 0842 GMT 26 Jan 92

[Text] Pyongyang January 26 (KCNA)—A trade agreement between the governments of the Democratic People's Republic of Korea and the People's Republic of China was signed in Pyongyang today.

Present at the signing ceremony on our side were Han Su-kil, vice-minister of foreign trade, and other officials concerned and on the opposite side were a Chinese Government economic and trade delegation led by Wang Wendong, vice-minister of foreign economic relations and trade, and Chinese Ambassador to Korea Zheng Yi.

Talks With Japan on Opening Direct Air Route

SK2601042892 Pyongyang KCNA in English 0410 GMT 26 Jan 92

[Text] Pyongyang January 25 (KCNA)—Talks were held between representatives of the DPRK and Japan aviation administrations in Beijing on January 23 and 24 on opening a direct air route and operating business airliners between the two countries in the spirit of the three-party declaration of the Workers' Party of Korea and the Liberal Democratic Party and the Social-Democratic Party of Japan which was adopted in September 1990.

An agreement on opening the direct air route and operating business airliners between the DPRK and Japan was adopted at the talks.

Under the agreement, the two countries will operate business airliners about 80 flights a year from each side as a tentative step until diplomatic relations have been normalized between the DPRK and Japan. Flight will be made between Pyongyang and Nagoya or Niigata of Japan and other airports can be used in a special case.

As a result of the current talks, the two sides will transport passengers and freight along the direct route agreed upon, if necessary, as from February 1.

This step will help further activate the exchange between the people of Korea and Japan in political, economic and cultural fields and provide passengers with conveniences.

Daily Says Japan's N-Threat 'Imminent Reality'

SK2501102492 Pyongyang KCNA in English 1006 GMT 25 Jan 92

["How Far Has Japan's Nuclear Armament Gone"—KCNA headline]

[Text] Pyongyang January 25 (KCNA)—NODONG SINMUN today says Japan's nuclear threat has become an imminent reality, stressing that if Japan really want peace, she should give up the nuclear program and refrain from posing threat to the people of Asia and the rest of the world.

In a by-lined article headlined "How Far Has Japan's Nuclear Armament Gone?", it points out that the Japanese Government authorities have pushed ahead with material and technological preparations and political preparations for nuclear armament from long ago.

It is surprising that today when it is the trend of the world to realize nuclear disarmament and eliminate nuclear weapons, Japan, which should be the first to join in this trend as the only nuclear victim, is trying to rank among the nuclear powers by arming herself with nuclear weapons.

Having built up her nuclear potential in secrecy under the disguise of "denuclearization" and "peace", Japan is capable of easily designing and manufacturing nuclear weapons and actually has become a "para-nuclear state."

Japan is now ready to be a nuclear power in a short span of time if she is willing and her nuclear potential has reached a world's level.

In November last year the president of the U.S. Nuclear Control Institute said the 100 tons of plutonium to be secured by Japan is an amount enough to make more nuclear warheads than those of the superpowers put together.

The Japanese Government concluded that it is possible to possess nuclear weapons even under the present constitution and is sticking to this interpretation and trying in every way to avoid restrictions on her nuclear development in the international arena.

It is, in fact, a trick to find an excuse for the nuclear arming of Japan that the Japanese authorities have spread a false rumour about "nuclear development" by us and shown excessive zeal in demanding a "nuclear inspection" with outcries over its "threat".

Tpe Japanese Government is openly attempting to pave the way for overseas dispatch of the Japanese Army.

Japan's nuclear armament poses a grave menace to the independence and security of the Asian nations and to world peace.

The U.S. newspaper CHRISTIAN SCIENCE MONITOR contended that a more thoroughgoing process of inspection should be applied to Japan than the inspection conditions of the International Atomic Energy Agency, saying the amount of plutonium stockpiled by Japan is far beyond the alleged "peaceful purposes".

It is a timely and just demand to enforce a more thorough nuclear inspection of Japan.

The disasters of Hiroshima and Nagasaki must not be repeated. The nuclear arming of Japan will bring a great disaster not only to the world people but to Japan herself.

Further on Visit by Cuban Trade Delegation

Vice Premier Addresses Banquet

SK2601100192 Pyongyang KCNA in English 0818 GMT 26 Jan 92

[Text] Pyongyang January 26 (KCNA)—The Administration Council gave a banquet Saturday [25 January] evening for the government delegation of the Republic of Cuba headed by Minister of Foreign Trade Ricardo Cabrisas Ruiz.

Addressing the banquet, Kim Tal-hyon, vice-premier and minister of foreign trade, said he was very happy over the further consolidation and development of the friendly and cooperative relations between the two countries which are based on the deep intimacy and revolutionary obligation between the great leader Comrade Kim Il-song and the supreme leader of the Cuban revolution Comrade Fidel Castro Ruz.

Today the fraternal Cuban people, he said, are making energetic efforts to implement the decisions of the fourth congress of the party while smashing the anti-Cuba moves of the U.S.-led imperialists and firmly defending the gains of revolution under the militant slogan "Let us defend the motherland, revolution and socialism!" following the correct leadership of the Communist Party of Cuba headed by respected Comrade Fidel Castro Ruz.

The Korean people rejoice as over their own over all the achievements made by the fraternal Cuban people in socialist construction and fully support the stand of Cuba advancing under the uplifted banner of socialism, stated Kim Tal-hyon.

Ricardo Cabrisas Ruiz spoke next.

He said that he was deeply moved by the achievements made by the Korean people in socio-economic development under the wise leadership of the great leader Comrade Kim Il-song.

Noting that this year the Korean people will celebrate significant days, he said: The 80th birthday of the great leader Comrade Kim Il-song will assume greater significance as it will show his wise leadership and militant and revolutionary exploits and the successes made in all fields of socialist construction.

The Cuban people are convinced that this will be a year of great victory, a year of advance for the Korean people and particularly, a year of great success in the endeavours of the Korean people to accomplish the cause of national reunification, stressed Ricardo Cabrisas Ruiz.

Kim Il-song Receives Delegation

SK2701101792 Pyongyang KCNA in English 0959 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—The great leader President Kim Il-song today received the visiting Cuban Government delegation led by Minister of Foreign Trade Ricardo Cabrisas Ruiz.

Present on the occasion were Vice-Premier and Minister of Foreign Trade Kim Tal-hyon and Vice-Minister of Foreign Trade Han Su-kil.

Cuban Ambassador to Korea Juan Jose Leon Vega and his embassy officials were also on hand.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

The guests presented him with a gift.

Kim Chong-il Given Gift

SK2701105292 Pyongyang KCNA in English 1025 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—The dear leader Comrade Kim Chong-il received a gift from the visiting Cuban Government delegation.

The gift was handed to an official concerned by head of the delegation Ricardo Cabrisas Ruiz, minister of foreign trade.

Delegations Depart for IOC, Nonaligned Meetings

SK2701112492 Pyongyang KCNA in English 1049 GMT 27 Jan 92

[Text] Pyongyang January 27 (KCNA)—Chairman of the State Commission of Physical Culture and Sports Kim Yu-sun who is a member of the International Olympic Committee [IOC] left here today to participate in the 98th General Assembly of the IOC to be held in France.

Leaving here today were a delegation led by Choe Su-hon, vice-minister of foreign affairs, to attend a meeting of the Ministerial Committee on Methodology of Non-aligned Movement slated in Cyprus and a delegation led by Song Hui-chol, vice-minister of foreign trade, to attend the 8th session of the United Nations Conference on Trade and Development scheduled in Colombia.

An art troupe of Koreans in Japan arrived in Pyongyang Monday.

Kim Il-song Sends Message to CILRECO

SK2501104892 Pyongyang KCNA in English 1018 GMT 25 Jan 92

[Text] Pyongyang January 25 (KCNA)—Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, today sent a message of greetings to the International Liaison Committee for Reunification and Peace of Korea (CILRECO) on its 15th birthday and to the participants in the celebration of this anniversary.

The message reads:

For 15 years after its establishment, your committee has vigorously conducted a solidarity movement for Korean reunification on a worldwide scale.

Thanks to the energetic activities and efforts of your committee, loud voices condemning the "two Koreas" plot and new war provocation moves of the separatists at home and abroad have rung out and an international solidarity movement for peace and reunification of Korea, a unanimous desire of the Korean people and other peaceloving people of the world, has been conducted briskly everywhere in the five continents.

Last year, an international solidarity march for supporting Korean reunification was made on the initiative of your committee, showing once again that the reunification of Korea has become the focal point of the international issues, the solution of which breaks no further delay for peace in Asia and the rest of the world.

I highly estimate the strenuous efforts made by your committee for the past 15 years in support of our people's just cause of national reunification.

As a result of our Republic's positive efforts, an affirmative agreement was reached recently between the North and the South of Korea in the efforts for peace and reunification of the Korean peninsula.

The DPRK Government and our people will make every possible effort to turn the Korean peninsula into a nuclear-free, peace zone and promote national reunification through confederacy based on one nation, one state, two systems and two governments.

Believing that your committee will, in the future, invigorate the international movement of solidarity with the Korean people in their struggle for peace of the Korean peninsula and its independent and peaceful reunification so as to make a great contribution to the Korean people's just cause and to the cause of peace in Asia and the rest of the world, I sincerely wish your committee greater success in its noble work.

N-S Nuclear Accord 'Fruition' of Peace Policy

SK2601133592 Pyongyang Korean Central Broadcasting Network in Korean 0007 GMT 23 Jan 92

[NODONG SINMUN 23 January editorial: "Brilliant Fruition of Our Antinuclear Peace Policy"]

[Text] On 21 January, the texts of the Joint Declaration on the Denuclearization of the Korean Peninsula, which were finally signed by the premiers of the two sides, were exchanged and its adoption was announced to the domestic and foreign public after the contact of the two sides' delegates at Panmunjom.

The joint declaration expressed the firm will for denuclearization of the Korean peninsula and clearly prescribed that the North and the South shall not test, manufacture, produce, introduce, possess, stockpile, deploy, or use the nuclear weapons; shall use nuclear energy only for peaceful purposes; shall not possess nuclear reprocessing facilities and uranium enrichment facilities; shall conduct an inspection of facilities designated by the other side; and both sides agreed for verification of the denuclearization of the Korean peninsula according to procedures and methods prescribed by the North-South joint nuclear control committee. The joint declaration also stipulated other articles for the denuclearization of the Korean peninsula.

The joint declaration is an historic document of epochal significance in removing the very source of the danger of nuclear war and in achieving peace on the Korean peninsula, contributing to peace and security in Asia and the rest of the world and creating a precondition favorable for the country's peaceful reunification.

Following the adoption of the Agreement on Reconciliation, Nonaggression, and Cooperation and Exchange Between the North and the South, which is a joint document of North-South agreement, late last year, the Joint Declaration on the Denuclearization of the Korean Peninsula was published this time. This provides great joy to all fellow countrymen in the North and the South and has evoked unanimous support and agreement from the people at home and abroad.

Our people's desire was ardent for providing peaceful circumstances by removing the danger of nuclear war on the Korean peninsula. However, the struggle to accomplish this was not smooth at all.

The publication of the Joint Declaration on the Denuclearization of the Korean Peninsula is entirely a shining fruition of the antinuclear peace policy consistently maintained by our party and the government of the Republic and their sincere efforts for its materialization.

The great leader Comrade Kim Il-song has taught: It is our consistent position that the Korean peninsula should be turned into a nuclear-free peace zone.

In the past period, our party and the government of the Republic have made every sincere effort to have the U.S. nuclear weapons withdrawn from South Korea and to turn the Korean peninsula into a nuclear-free zone, raising the question of removing the nuclear threat from the Korean peninsula as a vital one affecting the nation's destiny and an essential demand in defending peace in Asia and the world.

At the 12th session of the DPRK Supreme People's Assembly in 1956, we expressed an official position of opposing the introduction of U.S. atomic weapons [wonja mugi] into South Korea. On 7 April 1959 when the U.S. imperialists were accelerating nuclear armament in South Korea after the war, the government of our Republic warned that the U.S. imperialists systematically destroyed and infringed upon the Korean Armistice Agreement and turned South Korea into a new atomic weapons base by bringing in atomic weapons and guided missiles. Thus, the government of our Republic made a proposal for building a peace zone in Asia, free from nuclear weapons.

However, the U.S. imperialists continued to bring nuclear weapons into South Korea, challenging our peace proposal, and in the middle of the 1970's, turned South Korea into the largest nuclear armory in the Far East, filled with over 1,000 nuclear weapons. They began to openly stage the Team Spirit joint military exercise, which was aimed at nuclear attack on the northern half of the Republic. In the 1980's, they revealed nuclear war commotions more undisguisedly by declaring the Korean peninsula a test ground for a showdown.

On 12 December 1985 when nuclear war became an actual danger on the Korean peninsula, the government of the Republic signed the Nuclear Nonproliferation Treaty. Our purpose in signing the Nuclear Nonproliferation Treaty was to have the U.S. nuclear weapons withdrawn from the Korean peninsula, to remove the nuclear threat against us, and to finally turn the Korean peninsula into a zone free from nuclear weapons.

In 1986, the year of international peace, we solemnly declared to the domestic and foreign public our proposal for turning the Korean peninsula into a nuclear-free peace zone as an epochal step for preventing the daily increasing danger of nuclear war.

Our efforts for turning the Korean peninsula into a nuclear-free zone invariably continued even into the 1990's. In a Foreign Ministry statement in 1991, we put forward an epochal proposal for North-South negotiations to resolve the issue of denuclearization of the Korean peninsula in conformity with the trend of worldwide nuclear disarmament.

Our repeated flexible proposals reflected the firm will of our party and the government of the Republic to contribute to the cause of mankind's peace by liquidating one of the most dangerous sources of nuclear war in the world, thus easing tension in our country.

If the United States and the South Korean authorities had affirmatively responded to our peace proposals by showing their sincerity, the Korean peninsula would have been turned into a zone free from nuclear weapons a long time ago. Despite our persevering efforts, however, the United States and the South Korean authorities continued to bring nuclear weapons into South Korea and stepped up nuclear war preparations.

By having drawn up a 120-day war scenario on the premise of the use of nuclear weapons, the U.S. imperialists even placed the issue of nuclear armament of the South Korean puppet army on the calendar. Such ill-boding acts threatening peace on the Korean peninsula evoke due concern of our people and the world peace-loving people and prompt their strong protest.

Under the condition in which detente and disarmament had become a trend worldwide, the United States said last year that it will withdraw its tactical nuclear weapons from overseas and, though indirectly, declared that the nuclear weapons had been withdrawn from South Korea. Thus, the South Korean authorities, who ran amok with nuclear war maneuvers with the United States while frantically opposing the denuclearization of the Korean peninsula, could not but make a declaration on the denuclearization, being unable to ignore any longer our people's just demand for removing the danger of nuclear war.

Under such circumstances where conditions were ripe for the solution of the nuclear problems on the Korean peninsula, our side's delegation to the North-South high-level talks strongly urged the South side to adopt the declaration on the denuclearization of the Korean peninsula which had been set forth as an urgent proposal at the fourth talks.

Our just position and sincere efforts to avert the danger of nuclear war compelled the South side to respond to our proposal for negotiation on the denuclearization at the fifth North-South high- level talks.

As facts show, the birth of the Joint Declaration on the Denuclearization of the Korean Peninsula is entirely a shining victory of our antiwar, antinuclear line over the line of war.

Through the joint declaration, our people again keenly realized the wise leadership of our party, which is making great contributions to the nation's cause of peace and reunification by taking full responsibility for the destiny of the nation and the people and by indicating the most precise lines and policies.

The effectuation of the Joint Declaration on the Denuclearization of the Korean Peninsula will be declared at the sixth North-South high-level talks after it goes through necessary procedures.

With the announcement of the joint declaration, a breakthrough is open for removing the danger of nuclear war from the Korean peninsula. The North and the South should take steps needed for the effectuation of the joint declaration as soon as possible and honestly implement it.

The Joint Declaration on the Denuclearization of the Korean Peninsula is a declaration through which the North and the South will solve the problems of the country's peace and reunification with joint efforts and by the country's internal force.

As the North and the South agreed upon denuclearizing the Korean peninsula, the countries concerned must respect this historic joint declaration and help in its successful implementation. They must not do any longer such acts as putting an unreasonable pressure on us over the nuclear inspection issue. Once we have said we will do something, we will do it; and if we say we will do not do something, we will not do it. It is inconceivable that due to someone else's pressure, we will not do what we should do nor will we do what we should not do.

We shall in the future, too, make every effort for peace on the Korean peninsula and peace and security in Asia and the rest of the world out of the vital demand for the dignity of our nation and the right to existence and a high sense of responsibility for the cause of peace in Asia and the world.

Daily Views Sign of 'Ruin' for South's DLP

SK2401105592 Pyongyang KCNA in English 1020 GMT 24 Jan 92

["'DLP' Shows Sign of Ruin"—KCNA headline]

[Text] Pyongyang January 24 (KCNA)—Incumbent and former "national assemblymen" and the "chairmen of district party committees" of the "Democratic Liberal Party" (DLP) broke in group with the party on the threshold of the "National Assembly election" ("general election") slated for spring this year in South Korea.

This is a sign of the ruin of the "DLP", says NODONG SINMUN today.

Noting that the factions of the "DLP" are locked in a scramble in the nomination of candidates for "national assemblymen" with the "general election" drawing near, the news analyst says:

Many "DLP" members, sensing that their names were left out in the list of the "National Assembly" candidates, are joining other parties or are vowing to run on independent tickets, much enraged.

Defection will assume bigger dimensions.

No Tae-u and Kim Yong-sam, a political prostitute, are claiming that the "unity of the DLP" is possible before the "elections", loudly advertising "transcendence of factions." But this is a shameless deception.

Though the "DLP" manages to wade through the forthcoming "general election," it will be engulfed in a fiercer family quarrel surrounding the next-term "presidential" chair.

This will tear the "DLP" asunder.

The "DLP" which has acted arbitrarily as the "ruling party" finds itself in a poor lot.

Daily Examines 'Chuche-Oriented View' of Nation

SK2401111792 Pyongyang KCNA in English 1033 GMT 24 Jan 92

["Chuche-Oriented View on Nation Is Most Scientific and Revolutionary"—KCNA headline]

[Text] Pyongyang January 24 (KCNA)—NODONG SINMUN today in a signed article says that the chuche-oriented view on the nation is the most scientific and revolutionary one in shaping the destiny of the nation.

The article quotes the great leader Comrade Kim Il-song as teaching:

"A nation must regard its independence as its lifeblood and advocate and realize its independence by united effort and achieve its common prosperity. I can say this is our chuche-oriented view on the nation."

The chuche-oriented view on the nation is based on a most correct analysis of the mutual relations among communism, nationalism and internationalism.

The acceleration of the globerization of independence and world revolution creates a favourable phase in the struggle for realizing the independence of each country and nation and the globerization of independence is accelerated through the process of realizing independence of the people of each country.

Therefore, the spirit of national independence does not contradict internationalism and a communist is true nationalist and a true internationalist at once.

The chuche-oriented view on the nation is also based on the chuche-based theory on the inherent law of the socio-historical movement.

The establishment of the chuche-oriented view on the nation makes it possible to immensely strengthen the driving force of the national liberation movement, the struggle for realizing the independence of the nation, and provides a firm guarantee for its victory.

The secret of the victories always won by our party in the revolution and construction lies in that it has given top priority to the national interests and relied on the united strength of the people on the basis of the chuche-oriented view on the nation.

It is thanks to the wise leadership of the Workers' Party of Korea [WPK] which has always regarded it as a fundamental point to strengthen the driving force in the revolutionary struggle and construction and consolidated the singlehearted unity of the leader, the party and the masses as firm as a rock that the Korean people are dynamically advancing along the road of socialism, resolutely upholding the banner of chuche today when the imperialists and the reactionaries are directing their counter-revolutionary offensive against them.

To definitely realize great national unity based on the chuche-oriented view on the nation is a consistent line of our party.

It is the plan of the great leader Comrade Kim Il-song and the unshakable will of the WPK to attain national reunification in reliance upon tha strength of great natinal unity and to build an ideal society for the people on this land in reliance upon the united efforts of the whole nation after the reunification of the country and let all the Korean people enjoy the happiest life together.

KCNA Reviews Pyongyang Press for 25 Jan

SK2501063092 Pyongyang KCNA in English 0442 GMT 25 Jan 92

[Press review]

[Text] Pyongyang January 25 (KCNA)—Papers here today frontpage a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Zhelyu Zhelev on his reelection as president of the Bulgarian Republic.

It is reported in papers that solidarity messages and letters came to the great leader President Kim Il-song from different countries and foreign public organisations issued statements in support of the new proposal for national reunification advanced by him in his New Year address.

Papers report that the Korean documentary film "The Great Leader Comrade Kim Il-song Visits China" showed in Ghana and the Japan Society for the Study of Kimilsungism published the magazine "STUDY OF KIMILSUNGISM" No. 59.

A literature praising President Kim Il-song as "president of the unified country" and Comrade Kim Chong-il as "lodestar of the nation" appeared recently in Chungju, North Chungchong Province in South Korea, according to the press.

NODONG SINMUN deals with the changes of Yonghung-ri, Anju City, South Pyongan Province, under the energetic guidance of President Kim Il-song and Comrade Kim Chong-il.

The paper reports that messages and letters of New Year greetings came to the dear leader Comrade Kim Chong-il from different countries.

The paper conveys words of foreigners highly praising Comrade Kim Chong-il and reports that his works were studied and disseminated in many countries.

Seen in the paper is a message of greetings of the Central Committee of the Workers' Party of Korea [WPK] to Mohamed Bel Hadj Amor on his reelection as general secretary of the People's Unity Party of Tunisia.

Thanks of the WPK Central Committee [C.C.] was conveyed to the members of the ore cutting platoons of the Komdok mining complex and their families for their innovative success in the "10,000-ton platoon of loyalty" movement, says the paper.

Papers introduce innovations effected in the coal industry and other sectors of the national economy.

It is reported in papers that the head of state of Cambodia met with the DPRK foreign minister, the Egyptian president met with a delegation of the DPRK Supreme People's Assembly, the general secretary of the C.C., the Communist Party of Nepal (United Marxist-Leninist) met with the Korean ambassador and the DPRK ambassador to Yugoslavia paid a farewell call on the vice-president of the presidency of Yugoslavia and the DPRK ambassador to Mali paid a courtesy call on the Malian prime minister.

Premier Yon Hyong-muk met with the president of the "Daewoo Business Group" of South Korea and his entourage, according to papers.

Japanese papers reported about the publication of new postage stamps and postcards depicting Mt. Paektu, says NODONG SINMUN.

The paper comments on the South Korean ruling group's crackdown on the labour movement.

It informs the readers that 56 organisations of South Korea vowed to fight against "election rigging" of the puppet clique, chairman of the human rights committee of Chonminnyon So Chun-sik exposed the fascist clique's violations of human rights, about 5,000 unionized workers of the Hyosong Heavy Industries Co. of South Korea launched a strike.

The preparatory committee for the formation of the South side headquarters of the National Alliance for the Country's Reunification pledged itself to intensify the movement for reunification, say papers.

Papers report that the U.S. imperialists and the South Korean puppets staged a large-scale coordinated aerial operation exercise for aggression on the North.

Seen in NODONG SINMUN is an article titled "'Drug Storm' in South Korea. Its Mastermind is U.S."

It is reported in the paper that Comrade Fidel Castro called on athletes to learn from the braveness of the people, the Japanese weekly ASAHI JOURNAL said it is natural that the problem of Japan's postwar compensation should come to the fore and the Chinese PEOPLE'S DAILY called for doing well the work of supporting the Army and the government.

Appearing in the paper is an article by Chang Chin-su in Pyongsong City, South Pyongan Province who witnessed the tragic lot of Korean women forced to serve as "comfort women" for the aggression army of Japanese imperialism during the Pacific war.

Papers inform the readers of the current situation in Algeria and Yugoslavia.

NODONG SINMUN comes out with an article headlined "How Far Has Japan's Nuclear Armament Gone."

KCNA Reviews NODONG SINMUN for 27 Jan

SK2701060992 Pyongyang KCNA in English
0511 GMT 27 Jan 92

[Review of NODONG SINMUN]

[Text] Pyongyang January 27 (KCNA)—NODONG SINMUN today frontpages a message of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to the fourth meeting of heads of government of ASEAN countries.

Works of the dear leader Comrade Kim Chong-il were carried by foreign newspapers, according to the paper.

The secretary general of the Asian regional institute of the chuche idea highly praised Comrade Kim Chong-il as the saviour of rebirth, says the paper.

Thanks of the Central Committee of the Workers' Party of Korea was sent to the disabled soldiers of the Pyongyang disabled soldiers' textbook printing house and their families who overfulfilled their yearly plans over the past 20 years after the founding of the printing house and carried out the third seven year plan by the 15th of October last year, says the paper.

The paper devotes one whole page to an article by O Chin-u, an anti-Japanese revolutionary fighter and minister of People's Armed Forces, headlined "Our Party Is the Great Guide That Is Brilliantly Carrying Forward the Revolutionary Traditions of the Anti-Japanese Struggle."

Econews of the paper includes a report that more than 120,000 technical innovation proposals were introduced into production in different sectors of the national economy last year.

The paper informs the readers that the general secretaries of the Central Committee [C.C.] of the Communist Party of Lebanon and the Social Christian People's Party of Nicaragua met the Korean ambassadors to their countries and the general secretaries of the C.C., the Progressive Party of the Working People of Cyprus and the Socialist Party of Cyprus separately met the Korean ambassador to Egypt.

"Independent Stand Is the Fundamental Stand To Be Maintained in Accomplishing the Cause of National Reunification" is the title of a NODONG SINMUN article.

The sixth intergovernmental talks for the normalisation of diplomatic relations between the DPRK and Japan will be held in Beijing on January 30 and 31, 1992 and a trade agreement between the governments of the DPRK and China was signed here, says the paper.

The paper reports about anti-U.S., anti-"government" struggle in South Korea.

The paper in an article exposes factional strifes within the "Democratic Liberal Party" with the 14th "National Assembly election" at hand.

A child poem "Elder Sister Is Flower and I Am Petal" by Kim Il-sin, a girl student of the Pyongyang Kumsong No. 1 Senior Middle School, was chosen as a work for special prize and 11 works by school children and workers in the northern half of Korea as the works that deserve special prize in the "Third Contest for Yim Su-kyong Literary Prize of Reunification" which was held under the sponsorship of the General Student Council of the University of Foreign Studies in Seoul, the alma mater of woman student Yim Su- kyong, the "flower of reunification", who participated in the 13th World Festival of Youth and Students as the delegate of the "National Council of Student Representatives" (Chondaehyop), and Chondaehyop, says the paper. [sentence as received]

The paper comes out with a commentary on a report made by Aspin, chairman of the Armed Services Committee of the House of Representatives of the U.S. Congress, on reorganising the U.S. conventional combat power into the system against "potential hostile countries in regions" from the former system against the super power.

It is reported in the paper that Yasir 'Arafat branded Israel as the fascist enemy and Nelson Mandela stressed that violence can be stopped only by the establishment of a unified government of the nation in South Africa.

A NODONG SINMUN article deals with the fierce farm produce trade friction between imperialist powers.

South Korea

Reports on Foreign Minister's Visit to U.S.

Returns to Seoul 24 Jan

SK2401122292 Seoul YONHAP in English 1141 GMT 24 Jan 92

[Text] Seoul, Jan. 24 (YONHAP)—Foreign Minister Yi Sang-ok returned home Friday after winding up a five-day visit to the United States.

While in the United States, Yi met with U.S. State Secretary James Baker and discussed follow-ups to agreements reached in summit talks earlier this month between Presidents No Tae-u and George Bush.

Yi also attended Washington's international conference on aid to the Commonwealth of Independent States (former Soviet Union) to explain South Korea's aid plan.

Sees 'No Obstacle' to N-S Summit

SK2501025792 Seoul KBS-1 Radio Network in Korean 0200 GMT 25 Jan 92

[Text] Foreign Minister Yi Sang-ok said that during the U.S.-North Korean high-level talks held on 21 January, North Korea showed a positive stance toward convening North-South summit talks.

In informal talks with reporters this morning, minister Yi Sang-ok said that the North Korean side showed this reaction to the U.S. position noting that the North-South summit talks are desirable for resolving the nuclear issue on the Korean peninsula and improving North-South relations.

Minister Yi said that in particular, the North Korean side, expressing its will to accept the nuclear inspection of the International Atomic Energy Agency [IAEA] and mutual inspection of the North and the South, stressed that there is no obstacle to convening the North-South summit.

Minister Yi noted that during the recent U.S.-North Korean contact, the nuclear issue and North-South summit issues as well as U.S.-North Korean relations were discussed in depth. They decided not to announce the details of the discussion, however.

Concerning the issue of improving U.S.-North Korean relations, Minister Yi said that in the event that North Korea accepts the nuclear inspection, the level of contact between the two countries will be upgraded to deputy assistant ministerial level [puchagwankup] from the present councilor level and the venue will move to New York from Beijing.

Minister Yi explained that North Korea's acceptance of nuclear inspection, a precondition for upgrading the level of U.S.-North Korean contact, includes both IAEA inspection and mutual inspection of the North and South.

Seoul, U.S. Fail To Reach Market Agreement

SK2701091492 Seoul YONHAP in English 0636 GMT 27 Jan 92

[Text] Seoul, Jan. 27 (YONHAP)—South Korea and the United States on Monday ended four days of talks without reaching any agreement on a U.S. demand that Korea open its market for value added network (VAN).

During the negotiations, which opened here Jan. 22, the United States asked Korea, among other things, to open its market completely for VAN business and relax the registration requirement for foreign business concerns trying to engage in VAN in Korea.

Korea, which currently allows foreigners to invest 50 percent or less in the nation's VAN business, stuck to its position that it will fully open the market from Jan. 1, 1994.

Before adjourning the meeting, the United States proposed to resume talks in Washington between Feb. 10 and 20. Korea is to respond to the U.S. proposal later, officials said.

The value added network is a type of hi-tech communications service in which companies send information using signs, graphics, pictures and voice through computers.

Negotiations between the two countries on VAN started in February 1989, when the United States designated Korea a priority foreign country (PFC). If they failed to reach any agreement by Feb. 23, the United States could impose indiscriminate retaliation against Korea under its communications law.

In a related development, the two countries have decided to convene another meeting in Washington Jan. 30-31 to discuss government purchases of ordinary communications products.

U.S. Cited for Indifference to Black Market Rice

SK2601014492 Seoul MAEIL KYONGJE SINMUN in Korean 23 Jan 92 p 5

[From the "Diplomatic Rotary" column]

[Text] Recent statistics show that the annual rate of rice consumption of U.S. Army dependents residing in South Korea is unbelievably large and is beyond our comprehension. This leads us to reaffirm the rumors spreading among our citizens these days that a large amount of U.S.-produced rice is illegally flowing into the palatial housing area and restaurants in Seoul's Kangnam district. Nevertheless, the U.S. Embassy, which has actively taken the initiative in imposing pressure on us to open our country's rice market, has assumed an indifferent attitude toward this, thereby prompting strong criticism from our people.

According to a reliable diplomatic source, the amount of U.S.-produced rice sold last year alone through U.S. Army post exchanges [PX] in South Korea reached 3,478,045 kilograms. The total number of U.S. Army households residing in South Korea is roughly 13,000 plus 7,000 other South Korea-resident U.S. households—which comes to a total of approximately 20,000 rice consuming households. Therefore, the figure of 3,478,045 kilograms of rice means that each household consumes 172 kilograms of rice [2.2 bags of rice with each bag containing 80 kilograms] per year.

For Koreans, who live on rice, one household—which consists of 4.5 persons on the average—consumes 534 kilograms [6.6 bags] of rice a year. Considering this, the amount of rice that U.S. Army dependents consume is on a level beyond our comprehension.

An employee working at a U.S. organization in South Korea said that there are a good many U.S. Army dependents who do not eat even one grain of rice all year around and that his wife is Korean and his dependents' annual rice consumption is only 25 kilograms. Considering that the reported statistics of one U.S. Army household eating 2.2 bags of rice a year is precisely clear evidence that a large amount of U.S.-produced rice is illegally flowing into Korean markets, he said: This is hardly understandable to myself, who is an American.

He also said that the major cause of such an illegal flow of U.S.-produced rice is precisely in the U.S. and the ROK Government authorities' lack of resolution to crack down on it.

Asked about the illegal flow of U.S.-produced rice through the U.S. Army PX at a news conference with ROK reporters last month, an official concerned at the U.S. Embassy in Seoul said that "I do not know anything about the statistics. I will check if there were such statistics on U.S.-produced rice and, if so, will them make public."

Since then, we have heard nothing from him. Seeing this, we come to feel that the people's voices on "the lack of the U.S. Government's sincerity" are not groundless.

DPRK Party Director Holds Talks in U.S.

'Optimistic' in Interview

SK2501135692 Seoul HANGUK ILBO in Korean 25 Jan 92 p 1

[Report by reporter Choe Chae-ung from New York]

[Text] On 23 January, Kim Yong-sun, director of North Korea's Workers Party International Department, said that he was optimistic about the possibility of North Korea and the United States establishing diplomatic relations at an early date.

Stating this in an exclusive interview with HANGUK ILBO on 23 January, Director Kim said that the North Korea-United States high-level talks held in New York on 22 January "progressed very satisfactorily amid a very candid and constructive atmosphere."

In an interview with this reporter in his room at the Waldorf-Astoria Hotel in New York on the afternoon of 23 January, Director Kim said that the nuclear issue and ways of improving relations between the two countries had been discussed mainly in the North Korean-U.S. high-level talks. He declined to comment on the results of the talks in detail, however.

He went on to say that the United States and North Korea will keep holding the talks either in Beijing or in some other location in the future, dropping a strong hint that the working contacts between the two countries would be kept in place.

Explaining the background against which the high-level talks had been arranged, he said that the two countries had long proposed to each other the holding of such talks as the one held on 22 January. He said: We responded to the U.S. side's proposal for the talks.

Touching on the issue of turning the Korean peninsula into a nuclear-free zone, Director Kim insisted that "sincere effort on the part of the North and South will serve as an opportunity to hasten the peaceful reunification of the Korean peninsula" and asked: Have not the North and South agreed on reunifying the country based on the principle of independence, peaceful reunification, and great national unity—the great program for national reunification which the North and South have already agreed upon?

Saying that the question of reunifying the Korean peninsula can be classified in two categories, he said: First of all, the North and South should reduce their respective armed forces below the level of 100,000 as a precondition for the peaceful reunification of the Korean peninsula and the U.S. troops should be withdrawn.

He then stressed: The next step is to adopt a nonaggression declaration between the North and South and to replace the Armistice Agreement between Korea and the United States [Chomigan] with a peace agreement. Toward this end, Korea and the United States need to hold talks between them.

After reiterating North Korea's hitherto insistence that the North and South should found a confederal republic on the basis of keeping and tolerating the two systems, Director Kim added: If either side absorbs the other in a bid to coerce the other side into accepting the former's own force, it will lead to national disaster.

Editorial Views 'Constructive' Talks

SK2501023592 Seoul THE KOREA TIMES in English 25 Jan 92 p 6

[Editorial: "U.S.-DPRK Talks in New York"]

[Text] In a historic first, a formal and high-profile meeting took place Wednesday in New York between a U.S. delegation headed by Arnold Kanter, undersecretary of state for political affairs, and a North Korean team led by Kim Yong-sun, director of international affairs of the Workers (Communist) Party.

Although no details of the discussion were made available, it appears no conclusions were reached judging from North Korean statements coming out of Pyongyang. Nonetheless the talks seem to have been satisfactory with the North calling the contact a constructive one.

On the other hand, it became clear there will be no further official meeting in the U.S. although Beijing will continue to be a contact point.

In the New York talks again it was clearly indicated that the U.S. and North Korea had focused on their concerns from different angles. The U.S. position is that prior to any improvement of the relationship between the two countries North Korea has to completely clear up the tangled issue of its nuclear development. This has to be resolved first.

Then there are some other issues the U.S. has raised before, including substantial progress in South-North dialogue, the improvement in the human rights situation in the North, the abandonment of international terrorism, and the return of any corpses of American soldiers remaining from the Korean war.

Now North Korea has to demonstrate internationally it is a respected and law-abiding member of the international community. Otherwise, Pyongyang's desperate hopes to improve the relationship with the U.S. and Japan will not be easily satisfied.

After watching the still unimpressive outcome of the U.S.-North Korean talks, we are compelled to look back on our own approach to Pyongyang as there are many here who think that we have been moving too hastily and in too naive a manner to improve relationship with the North.

We should learn from the U.S. the way they are leading to the building of an improved and normal relationship with North Korea, once regarded as the most dangerous international terrorist country.

South Korea has signed a declaration on a nuclear-free Korea although we have not confirmed the closing of any nuclear programs in the North. We also suspended the joint U.S.-Korea Team Spirit exercise, the annual war game considered critical for maintaining our defense capabilities. Let us ask ourselves if these were really wise actions.

Results Deemed 'Very Little'

SK2401154992 Seoul CHOSON ILBO in Korean 24 Jan 92 p 3

[Editorial: "U.S.-North Korean Talks and the ROK-U.S. Alliance"]

[Text] The United States and North Korea had vice-ministerial talks for the first time in New York on 22 January. As the first spoonful of a meal cannot satisfy one, as the saying goes, the results of the talks, which lasted nearly six hours, seem to have been very little. As has been widely known, the United States seems to have firmly adhered to very clear principles.

These principles were North Korea's tangible guarantee for abandoning nuclear development and the conditions that should be met prior to the improvement of U.S.-North Korea relations, namely, resolving the nuclear issue, practical progress in the North-South dialogue, improvement in the human rights situation, the abandonment of international terrorism, and returning the remains of the U.S. soldiers, etc.

Although no specific disclosure has been made on the talks, because of the U.S. consistent adherence to its principles, the North Korean side must have put forth its position after its own fashion to maintain its cause and save face, probing the other side's position.

The North Korean position toward the United States is clearly expressed in Kim Il-song's New Year address. It is summarized in two points. One is the importance of relations with the United States, and the other is rejecting pressure from outside forces. Kim Il-song, in his New Year address, said: Since the issue of reunification is connected historically with international relations, we need the cooperation of the countries concerned for implementing the North-South agreement.

He added, "It is intolerable that they impose unreasonable pressure on us with the issue of nuclear inspection," however, thus expressing strong repugnance to pressure from outside.

Kim Yong-sun, director of the International Department of the "Workers Party of Korea," no doubt had to follow the Kim Il-song instruction he had received in his negotiation with the United States. Consequently, the result was so negligible as to prompt the United States comment that "it was not productive enough to continue the high-level talks."

We should not overlook the United States' comment that "the two sides explained their views cordially and frankly and promoted the understanding of their respective positions." This proves that talks of this nature can produce far greater results than the negotiations between soldiers that have continued in Panmunjom for the last 39 years.

Though the two sides may well have put forth little more than their existing respective principled positions, some improvement in their relations may be forthcoming if demonstration nuclear inspections, for instance, are realized in February, as the ROK side proposed.

The United States, which has been a direct party in the security of the Korean peninsula and maintained its relations with us for nearly half a century, however, will not hasten to improve its practical relations with North Korea, if the nuclear issue is not resolved at all.

The United States will only attempt to improve its relations with North Korea when the latter fulfills the former's demands, which are in the nature of the outside pressure that Kim Il-song desperately rejects and which are issues in which the United States is as much interested in resolving as the nuclear issue, namely, the improvement of the human rights situation, the suspension of missile exports, and the complete abandonment of international terrorism.

The United States will probably deal with North Korea from a position different from that which it used in dealing with the ceasefire in Vietnam when it had to settle the issue hurriedly, driven by the convulsive antiwar sentiment at home and abroad. Compared with this position taken by the United States, we have the impression that our government is dealing with the issues hurriedly, as if it were driven by something. For instance, it declared the nonexistence of nuclear weapons without ascertaining the nonexistence of nuclear weapons in North Korea. It gave up the Team Spirit exercise, which was the only opportunity to learn how to use the modern military equipment and technology, without a guarantee for the implementation of the North-South agreement. We should not forget that we have been maintaining the ROK-U.S. alliance since the North Korean invasion on 25 June 1950.

Chances for U.S.-DPRK Normalization Viewed

SK2601082692 Seoul HANGYORE SINMUN in Korean 25 Jan 92 p 2

[Editorial: "North Korea-U.S. Talks Have Demonstrated the Possibility of 'Normalization'"]

[Text] The first high-level talk between North Korea and the United States held in New York on 22 January was a contact that greatly helped the two sides "understand each other's positions better," as reflected in their comments.

Ho Chong, deputy chief of the North Korean mission to the United Nations who was present at the talk, said affirmatively that "I have come to have a very optimistic view on the prospect of improving relations between our two countries." In an official statement issued by the U.S. State Department, the United States, too, assessed the talk "as a useful one in which the two countries exchanged frank opinions on the nuclear issue on the Korean peninsula and the issue of improving bilateral relations." Simply put, the two countries conducted a long negotiation over bilateral issues, sounding out and confirming the other side's position on ways and terms of resolving these issues.

Of course, the negotiation over the bilateral issues was not confined either to North Korea's nuclear issue, which the United States stressed, or the issue of improving relations, on which North Korea claimed was what it would concentrate efforts. Rather, our impression from the two sides' carefully worded comments on the result of the talk is that they exchanged views on a broader range of matters of mutual concern than the two main subjects.

The fact that bilateral issues as such have been discussed between the North Korean and U.S. delegations of government officials in charge of diplomatic affairs can be seen to serve as a turning point in the limited diplomatic and political relations between the two countries. At the end of the talks, the United States denied reports that the two countries will continue high-level contacts, maintaining that the channel for diplomatic contacts that have continued in Beijing, China, for over two years is still open. Nevertheless, it is apparent that the United States has no intention to throw away such high-level talks, held at its request, as a one-shot contact. It is, therefore, correct to say that a new channel has been provided between the two countries that will enable their policymakers to resume negotiations at any given time.

Ultimately, the United States, which had earlier stressed that it would put across to North Korea its clear-cut position on North Korea's nuclear issue at the high-level contact, seems to have recognized the areas of negotiations between the two countries through its serious discussion of other bilateral issues with North Korea. On the other hand, North Korea may have made plain its desire to discuss with the United States the Korean peninsula question affecting the international community, that is to say, issues that interest the United States, by staking out its terms for improving relations. Given North Korea's position on the nuclear issue and on the issue of whether to agree to international nuclear inspections of its nuclear facilities in particular, which cannot go beyond the statement released last 7 January in the name of the Foreign Ministry spokesman, and given Kim Il-song's New Year Address in which he said that he would not tolerate any unfair pressure on North Korea regarding the nuclear issue, North Korea may have failed to show flexibility at the high-level talk. Had the United States officially informed North Korea of the complete withdrawal of U.S. nuclear weapons from South Korea, there is a likelihood that North Korea and the United States may have seriously discussed simultaneous nuclear inspections in the North and South, defining which facilities to place under inspection and what methods to employ for the inspections, and for how long to continue the inspections.

The United States is reported to have put across to North Korea its firm position that unless the nuclear issues is fundamentally resolved, it will not improve its relations with North Korea. It is, therefore, hard to expect that the two countries could have discussed satisfactorily the issue of international inspections of the nuclear weapons and other nuclear facilities on the Korean peninsula and the mutual inspections in the North and South during the New York contact. So, it is quite possible for the two countries to have agreed on in-depth negotiations either through the diplomatic contacts in Beijing or by opening another channel elsewhere. This is more likely if the United States stands firm on its position that nuclear issues should be given the first priority. It remains to be seen whether the simultaneous nuclear inspections in the North and South could be realized in a short period of time without assistance from the International Atomic Energy Agency. This is because such simultaneous inspections require a high degree of knowledge and technology to enable the inspectors to grasp the other side's nuclear capabilities, not to mention the need to secure an assortment of equipment to enable them to locate the nuclear facilities, analyze the nuclear materials, and keep tabs on the nuclear facilities.

If visible progress is made in the issue of transferring the remains of U.S. soldiers either killed or reported missing in action during the Korean war in parallel with the nuclear negotiations, it is apparent that the two countries will come closer to normalizing their bilateral relations while conducting contacts in a variety of areas, including diplomacy and trade. The United States hurriedly stressed that the high-level contact with North Korea cannot substitute for the South-North talks, probably out of its intention to put a brake on North Korea's demands for direct negotiations with the United States in many areas. In this context, the Korean Government is called on to conduct close consultation with North Korea, so that North Korea can distinguish areas for South-North negotiations apart from areas for North Korea-United States negotiations.

DPRK To Sign Nuclear Safeguards Accord 30 Jan

SK2401234792 Seoul KBS-1 Radio Network in Korean 2200 GMT 24 Jan 92

[YONHAP report from Berlin]

[Text] North Korea will sign the international nuclear safeguards accord on 30 January. The person concerned at the International Atomic Energy Agency [IAEA] said yesterday that the ceremony to sign the nuclear safeguards accord between North Korea's delegation and the IAEA will take place openly at 1000 on 30 January. After signing the nuclear safeguards accord, North Korea's delegation will reveal in a news conference the procedures and timetable required for ratification, effectuation, and inspection. The North Korean delegation, which consists of three delegates—Hong Kun-pyo, vice minister of atomic energy and head delegate; Chang Mun-son, director of the Department for Treaties and Laws of the Ministry of Foreign Affairs; etc.—will arrive in Vienna, where the IAEA is located, on 28 January. [sentence as heard]

DPRK Source Says Kim Chong-il Has 'Taken Over'

SK2501020292 Seoul YONHAP in English 0152 GMT 25 Jan 92

[Text] Bangkok, Jan. 25 (YONHAP)—North Korean President Kim Il-song gave Daewoo group chairman Kim U-chong of South Korea a "big gift" when they met in Pyongyang, a ranking North Korean said Friday.

He would not say what the gift was.

Kim was invited to North Korea by Vice Prime Minister Kim Tal-hyon, who is also chairman of North Korea's external trade commission, and met with the North Korean leader on Jan. 20. He is due back in South Korea on Sunday.

The source, speaking on condition of anonymity, also said Kim Chong-il, 49-year-old son of Kim il-song, had already taken over all power from his father.

The transfer was made not because Kim Il-song was unhealthy, but because he was old, he added.

Kim Chong-il Reported To Become Military Marshal

SK2701130092 Seoul KBS-1 Television Network in Korean 1200 GMT 27 Jan 92

[Text] North Korea elected Kim Chong-il the supreme military commander on 24 December last year.

A Unification Board official predicts that on 25 April, which will mark the 60th anniversary of the Army's founding, North Korea will provide Kim Chong-il the post of military marshal. He said that the Unification Board recently came by this information from Japan. He added that this will be a following-up measure to Kim Il-song's transfer of supreme military command to Kim Chong-il.

Article Assesses Kim Chong-il Leadership

SK2501142392 Seoul TONG-A ILBO in Korean 23 Jan 92 p 15

[Article by Pak Che-kyun from the "North Korean News" column]

[Text] "Endless loyalty towards the leader, extraordinary ideological and theoretical wisdom, excellent leadership, and virtuous lofty communistic character."

This is the list of virtuous characteristics which North Korea has maintained for the successor to President Kim Il-song. North Korea is stressing that only Kim Chong-il is completely endowed with all of these essential factors.

As there are rumors that the succession of power in North Korea is close at hand, there is much interest in Kim Chong-il's leadership. Does Kim Chong-il truly have the capability of leading North Korea without President Kim Il-song?

First of all, North Korea is propagandizing the following as the list of virtuous characteristics of Kim Chong-il's leadership.

With regard to the "ideological and theoretical wisdom" among the list of virtuous characteristics, North Korea has propagandized that President Kim Il-song is the "creator" of the chuche idea and that Kim Chong-il is the "completer" of the chuche idea.

According to the North Korean authorities, Kim Chong-il published works such as, *On Several Questions in the Understanding of the Chuche Philosophy* (1974), *On the Chuche Ideology* (1982), and *On Firmly Establishing the Chuche View of the Revolution* (1987). This proves that Kim Chong-il is an authority on the theory of the chuche idea within North Korea.

In addition to this, through many unconfirmed episodes, North Korea is propagandizing Kim's "lofty virtue." One episode is that in 1979, when Kim was inspecting the remote rural area of Chogyo-ri, Unjon County, Hwanghae Province, he ordered that a bridge be built right after seeing some children walking across on stepping stones. The residents of this region said: "It is not necessary to build a bridge for fewer than 10 children." Kim replied: "Let us build a bridge even if it is for only one child. How can we consider the children, who are the treasure of the country, by number?"

North Korea also states that Kim Chong-il "has been unswerving in his loyalty towards the leader," and as "the Marxist ideology was formulated by Lenin, the formulation of Kim Il-song's ideology can be carried out only through the leader's successor (study by executives of the General Association of Koreans Residing in Japan, February 1977)." Moreover, Kim Chong-il is being adorned as a "person who possesses gifted leadership," who initiated monumental architecture, such as Pyongyang's Arch of Triumph and Yugyong Hotel, and nature-remaking projects, such as the Nampo floodgate.

Some mass media in South Korea assess Kim Chong-il by saying, "his character is cruel and spontaneous," "he indulges in alcoholic drink and women every night," "he lacks the natural disposition of a leader," and even "he has mental defects, such as manic-depressive insanity." These remarks have not been confirmed, however.

It seems that when considering the process of Kim Chong-il assuming authority in the succession of power from Kim Il-song to son, there is a need to recognize that Kim Chong-il has some level of "capability."

Kim graduated from the political and economic department of Kim Il-song University in 1964. From that time he accompanied President Kim Il-song as a member of the eligible guiding personnel of the Organization and Guidance Department of the Workers Party, and thus entered the North Korean Government.

Kim Chong-il started to be recognized by his father in 1966 when he was the head of the culture and art guidance section of the Propaganda and Agitation Department and in charge of the film and arts field.

Kim Chong-il started to award party member identification cards to artists, conferred on them the title of "people's actor," and "meritorious actor," giving them special privileges. He also gave them opportunities to study abroad. Because of this kind of effort, it was learned that movies made by Kim Chong-il in this period, such as "Fate of a Self-Defense Force Member," "Sea of Blood," "Flower Girl," "Speak, O Forest," and "True Daughters of the Party," were very popular.

Since then, Kim Chong-il has shown continued interest in the field of film. In 1978, Sin Sang-ok and Choe Un-hui were kidnapped to North Korea and made movies such as, "Salt," "Mother," "Secret Messenger Who Did Not Return," thus spreading popular interest in North Korean movies.

Therefore, in 1973, when Kim Chong-il was 31 years old, he became director of the Propaganda and Agitation Department of the party Central Committee and director of the Organization Department. From this time he started to assume power full-scale.

First of all, Kim ordered his aides to conduct a detailed investigation of his step-mother, Kim Song-ae, for five months starting in 1973. At this time, there was serious friction between Kim Chong-il and Kim Song-ae. He presented a report on Kim Song-ae to President Kim and succeeded in placing her under house arrest at the Chamosan Villa, prohibiting her from appearing in official meetings.

In November 1973, the State Security Department was established. Kim Chong-il personally took charge of this department, thus firmly consolidating his basis for power.

Through this process, at the Sixth Workers Party Congress in 1980, Kim Chong-il was elected as the party secretary, ranking second in the party, right behind Kim Il-song. Therefore, his position as successor was both nominally and virtually cemented.

It was assessed that in the process of assuming power, Kim Chong-il showed strong tenacity for power and great enthusiasm. Making the best of his talent in the arts, he presented slogans such as "Let us live by our own style," "Production, study, life—all in the manner of the anti-Japanese guerrillas," and "Ideology, technology, and culture—all in accordance with the demands of chuche!" It was learned that he showed great talent in the fields of propaganda and agitation.

Many figures, including Sin Sang-ok and Choe Un-hui who had the opportunity of having close relations with Kim Chong-il, said, "he is perspicuous."

Experts say that his mother Kim Chong-suk's death when he was seven and the process of his growth, which was in a "self-conceited" way, may have resulted in a defect in his character.

The biggest problem in Kim's leadership is his authority. The fact is that his leadership was formed not by his efforts but through President Kim's charisma. Therefore, experts analyze that if this kind of prominence is discolored, Kim Chong-il's leadership system may collapse rather easily.

Reports Follow Daewoo Chairman's DPRK Visit

Addresses Beijing News Conference

SK2501111692 Seoul KBS-1 Radio Network in Korean 1000 GMT 25 Jan 92

[Text] A North-South summit meeting is likely to be realized at an early date.

North Korean President Kim Il-song, when meeting with Chairman of Daewoo Group Kim U-chung, who was on a visit to North Korea last 22 January, is reported to have expressed the hope to meet President No Tae-u.

Correspondent Yang Hwi-pu reports from Beijing:

[Begin Yang Hwi-pu recording] Chairman of Daewoo Group Kim U-chung arrived in Beijing Airport at 1035 this morning local time by a Korean civil aviation plane after concluding his visit to North Korea.

In a news conference held at the airport, Chairman Kim U-chung said that President Kim Il-song had expressed the hope for a meeting with President No Tae-u.

After saying that President Kim Il-song had asked him how President No was getting along and inquired after President No's health, Chairman Kim added his impression of President Kim, saying: He appeared to be very thoughtful.

He went on to say that his meeting with President Kim Il-song took place in a building located at the foot of Mt. Taesongsan and that for the first 40 minutes of the meeting he was with his 10-man suite members. For the rest of the meeting, however, which lasted three hours, including a luncheon, he was alone with President Kim.

Chairman Kim said that during his visit to North Korea he met with government officials, including President Kim Il-song and Premier Yon Hyong-muk, but he did not meet with Secretary of the Workers Party Kim Chong-il, the supreme commander of the armed forces.

Chairman Kim U-chung said that in his meeting with Vice Premier Kim Tal-hyon and others they had agreed to build a garment plant in Nampo, on condition that Daewoo invest capital and technology in the range of $10-$20 million and that North Korea provide the land and building of the plant, along with the labor.

Chairman Kim said that the Nampo plant, the first of the South-North joint venture businesses, will produce jackets and blouses and export all of them. He predicted that production of the first of these goods is likely to begin in September and that a team for a fact-finding mission for the construction of the plant will visit North Korea next month.

This has been Yang Hwi-pu reporting from Beijing. [end recording]

Says Kim Il-song Wishes To Meet No Tae-u

SK2501134492 Seoul YONHAP in English 1315 GMT 25 Jan 92

[Text] Seoul, Jan. 25 (YONHAP)—North Korean President Kim Il-song has expressed his willingness to have talks with South Korean President No Tae-u "as soon as possible," Daewoo Group Chairman Kim U-chung was reported as saying upon his arrival Saturday in Beijing from his 11-day trip to North Korea.

The South Korean industrialist told a group of Korean reporters that the North Korean leader asked him to give his regards to No. He said he met with Kim Il-song on Monday [20 January].

Diplomatic sources in Beijing expected that the date for the summit would probably be set during the sixth inter-Korean prime ministers' talks slated to open on Feb. 18 in Pyongyang, according to press reports here. They did not rule out the possibility of Kim U-chung carrying a secret message from Pyongyang.

The Daewoo Group chairman quoted North Korean Prime Minister Yon Hyong-muk as saying that Pyongyang had begun to amend its laws governing joint-venture businesses to stimulate inflow of foreign capital and expand economic cooperation with South Korea. Kim is said to have met with Vice Premier Kim Tal-hyon and other economic officials of North Korea.

Kim reportedly said he agreed to build a textile plant in the western port city of Nampo in a joint venture with North Korea entirely for export purposes. Daewoo will invest 10 million to 20 million U.S. dollars into the project. The factory will turn out shirts, blouses and other garments, he added.

Daewoo will, Kim said, send an engineering team to North Korea next month to discuss details.

Interviewed on Talks With Kim Il-song

SK2601054392 Seoul CHOSON ILBO in Korean 26 Jan 92 p 2

[Interview with Daewoo chairman Kim U-chung by CHOSON ILBO correspondent Kim Yong-su in Beijing on 25 January]

[Text] [Kim Yong-su] What did you discuss with President Kim Il-song?

[Kim U-chung] President Kim Il-song said that he would like to meet President No Tae-u and discuss pending issues between the two countries. He also inquired after No's health. He said that he would welcome ROK businessmen's visits to North Korea. He said if the South and North were united, there would be no country that Korea would fear. President Kim added that both sides should be united at an early date and should accomplish economic development.

President Kim said that he would like to meet President No at an early date and discuss issues including reunification. He also stated that it would be very encouraging if ROK business firms invested in North Korea.

[Kim Yong-su] Would you please sum up any successes on joint ventures?

[Kim U-chung] We agreed to build a light industry factory for the equivalent of $10 million or $20 million. We also agreed that the factory would induce a labor-intensive industry, including textile goods such as knitwear, jumpers, and bags, etc. We also agreed that if the investment in Nampo factory progresses smoothly, we would expand the investment to other fields including toys.

[Kim Yong-su] Whom did you meet and where did you visit during your stay in North Korea?

[Kim U-chung] I had one round of talks with President Kim Il- song. I intensively discussed the investment issue with Premier Yon Hyong-muk and Kim Tal-hyon, vice premier and chairman of the External Economic Committee. However, I did not meet Kim Chong-il. The report that we would build a garment factory in Haeju is not true, but we agreed to build a Daewoo industrial estate in Nampo. In addition to Pyongyang, we visited Nampo and Tokchon. We toured a casting factory, Sungri [victory] Automobile factory, etc.

[Kim Yong-su] What do you think about the investment environment in North Korea?

[Kim U-chung] It seems that basically North Korea's labor force is skilled and that its quality is not as bad as we expected. Nevertheless, we expect that there will be many difficulties in the investment process because North Korea is a socialist country.

North Korea's technical workers looked very sincere and are willing to work, however.

[Kim Yong-su] When do you plan to start the investment on a full scale?

[Kim U-chung] First of all, we have to get the government's approval. Upon acquiring the government's approval, we will go through the investment procedures.

[Kim Yong-su] Where and how long did you meet Kim Il-song?

[Kim U-chung] My party and I were invited to a luncheon at the president's palace and met Kim Il-song for 45 minutes. Then I had an exclusive meeting with him for three hours, which included lunch.

[Kim Yong-su] What did you discuss in the exclusive meeting?

[Kim U-chung] We did not talk about politics, not even a single word. We discussed only economic exchanges. President Kim Il-song was very much interested in ROK business firms' investment in North Korea. I also had a feeling that Kim Il-song expects ROK economic assistance to North Korea. In particular, when he stressed that the South and North should be united to realize economic development, his voice carried weight.

[Kim Yong-su] How was his health?

[Kim U-chung] He looked very hale and energetic.

[Kim Yong-su] I hear that you gave gifts to Kim Il-song.

[Kim U-chung] I presented to him household electric appliances including a TV and VCR manufactured by Daewoo. President Kim gladly accepted these gifts. North Korea's NODONG SINMUN carried this even on its first page.

[Kim Yong-su] Has North Korea requested grant-in-aid?

[Kim U-chung] No, they never made such a request.

[Kim Yong-su] How many times have you visited North Korea and would you please tell us your impressions on the visit you just made?

[Kim U-chung] This is my second visit. The last time, I went to North Korea along with our soccer team. Because this visit was made after an official invitation, however, I received a very enthusiastic welcome. It seems that I received treatment almost equal to that of a foreign state guest. Regarding my impressions, I have nothing in particular to say. I have visited so many socialist countries and had the feeling that I was visiting another socialist country.

[Kim Yong-su] Do you have any plans to invest in the heavy industry field?

[Kim U-chung] We discussed an issue to build a machine tool factory in cooperation with North Korea, but never agreed on it.

[Kim Yong-su] How would you assess the investment prospects in North Korea?

[Kim U-chung] Basically the ROK's labor-intensive industry is on the decline. We have to move this industry elsewhere and North Korea should be one of the places considered.

Interviewed on Visit Results

SK2501130792 Seoul KBS-1 Television Network in Korean 1200 GMT 25 Jan 92

[Interview with Kim U-chung, chairman of Daewoo Group, by KBS correspondent Yang Hwi-pu in Beijing on 25 January—recorded]

[Text] [Yang Hwi-pu] Would you please sum up your visit, focusing on the success.

[Kim U-chung] He, I mean Kim Il-song, said to me that he would like to meet our president. He also inquired after his health. He said that he wholeheartedly welcomed our visit.

My impression was that he was more considerate than expected. His welcome seemed to be considerably warm.

[Yang] Some observers speculated that you, Chairman Kim, might have taken a message to him from our government.

[Kim] No, absolutely not. As you know, the two sides are communicating with each other in talks, like contacts between the liaison officials. There can be no such thing as my carrying a message.

[Yang] Rumors have it that there will be a South-North summit meeting in March. Do you know anything about it?

[Kim] Such a course of event is inevitable, do you not think so? I believe it is inevitable. Our concern is when.

I did not discuss such things with them for fear of giving them the wrong idea. The division of responsibilities was clear in North Korea, that is to say, the distinction was clear between those in charge of political affairs and those in charge of economic affairs. As those I met were mostly those involved in economic affairs, they would not know about such a thing even if I discussed it with them, nor would they dare comment on it, I believe.

[Yang] What do you think is your success?

[Kim] Success? Well, I did not expect much from my visit, as I went to see how things are over there. The agreement needs approval from both sides before being put into practice. We have agreed to build a plant in Nampo to produce and export such things as garments, fabrics, footwear, and electronics. This will help North Korea economically in a practical way.

Profit-making or commercial consideration aside, I decided to start a joint venture with North Korea based on the thoughts that if such a plant is built there, it will help North Korea.

[Yang] As is naturally assumed, Daewoo will provide capital and technology, whereas the North will chip in with land and building and labor. Is that what you have agreed upon?

[Kim] Right. Because the plant will be in North Korea, they will build the plant building.

Briefs Economic Minister

SK2701092092 Seoul YONHAP in English 0833 GMT 27 Jan 92

[Text] Seoul, Jan. 27 (YONHAP)—The government will give the Daewoo Group permission to set up joint ventures with North Korea as soon as possible in the belief it will accelerate inter-Korean economic exchange, Economic Planning Board sources said Monday.

Daewoo Chairman Kim U-chung briefed Vice Economic Planning Minister Han Kap-su on his 11-day trip to North Korea and the two discussed ways to promote inter-Korean cooperation in the economic sector on Monday.

Kim told Han that he would soon formally request government permission to fulfill his agreements with North Korean leaders, which take effect on the day the government gives the go-ahead.

The sources said Daewoo would get a prompt reply if the group applied to set up a joint venture manufacturing clothes in the North Korean port of Nampo.

"The government believes the joint projects on which Chairman Kim agreed with North Korean leaders will serve as a catalyst in expediting economic exchange and cooperation between South and North Korea. The government will deal with this case separately from the systematic cooperation being sought in the inter-Korean high-level talks," one source said.

"The government will make a quick decision on Daewoo's moves, as Daewoo plans to send a working-level task force to North Korea in mid-February to carry out a feasibility study for the joint venture," the source said.

The government would handle private plans for joint ventures with North Korea one by one until a systematic device on inter-Korean economic cooperation was worked out in the high-level talks, he said.

The government would seek to advance the formation of an inter-Korean joint committee for economic exchange and cooperation to facilitate direct trade and joint investment between the two Koreas, he said.

The two Koreas signed an agreement on reconciliation, nonaggression and exchanges and cooperation in the fifth high-level talks in Seoul last month that calls for the committee to be formed within three months after the agreement goes into effect. The agreement will take effect during the sixth high-level talks, to open in Pyongyang on Feb. 18.

Official Confirms Upcoming N-S Summit Talks

SK2701095792 Seoul CHUNGANG ILBO in Korean 27 Jan 92 p 1

[Text] North and South Korea are expected to hold high-level preliminary talks around 10 February for North-South summit talks, it was learned on 27 January.

A high-ranking government source on 27 January said: The North and the South have already agreed in principle through an unofficial channel to hold the summit talks, and a high-level contact will be held, aside from the Panmunjom high-level talks, to discuss the specific itinerary and agenda.

As for the time of the summit talks, this source said: The two sides generally agree that they can hold the summit talks any time after they exchange and validate the North-South Agreement on Reconciliation, Nonaggression, and Exchange and Cooperation and the Joint Declaration on the Denuclearization of the Korean Peninsula on 19 February.

On this matter, a high-ranking source of the Democratic Liberal Party on 26 January said, "I understand that the summit talks will be held sometime in the middle of March," hinting that the summit talks are expected to be held immediately before the 14th general elections.

Another government source said that if the summit talks are held, the two sides will discuss reunification, which the North Korean side considers the main agenda item, but the two sides are expected to merely agree on the abstract principle of peaceful reunification rather than discussing the specific system, such as a confederal system or a commonwealth of states.

The government official said that the time, agenda, and venue for the summit talks have not been discussed specifically between the two sides, though preparations are underway, and that various specific pending issues can be included in the agenda. The government anticipates that if the North-South summit talks are held early, there will be four main agenda items, namely, a reunification plan and peace system; a method of North-South economic cooperation; the nuclear issue and disarmament; and reunion of displaced families. The relevant government ministries, therefore, are expected to hold meetings soon to discuss necessary measures for this.

A source said: It seems that through the summit talks, North Korea intends to solidify Secretary Kim Chong-il's succession to power and eliminate obstacles to North Korea's improving relations with the surrounding countries, thereby tiding over its economic difficulties. I understand that the North Korean side hinted at its preference for the first round of talks to be between No Tae-u and Kim Il-song and the second round, which will be held in Seoul, to be participated in by secretary Kim Chong-il.

This source said: If the North-South summit talks are held, the relations between the two sides and the surrounding countries are likely to improve. The South side does not object to and may even assist North Korea's improving relations with Japan and the United States, if North Korea completely resolves the nuclear issue.

The source observed that if the summit talks are held in mid-March, the negotiations between the ROK and China for establishing diplomatic relations will progress rapidly, and added: During the UN Economic and Social Commission for Asia and the Pacific [ESCAP] conference, which will be held in Beijing in April, the ROK and Chinese foreign ministers will be able to specifically discuss the establishment of diplomatic relations between the two countries.

Burma

Commission Announces Removal of Tin U from NLD

BK2501145692 Rangoon Radio Burma in Burmese 1330 GMT 25 Jan 92

["Press release No. 4/92 of the Commission for Holding Multiparty Democratic General Elections, dated 25 January 1992"]

[Text] The commission hereby announces it has put on record submissions from some political parties on the removal and resignation of the following persons:

1. Submission from the National League for Democracy [NLD] that the following persons, who are serving prison terms for infringing existing laws, have been removed as members effective 24 January 1992.

A. U Tin U, former chairman;

B. U Kyi Maung, former member of the Central Executive Committee whose status as elected representative from Bahan township constituency-2 had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

C. U Soe Thein, alias Maung Wuntha, elected representative from Waw township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

D. U Kyaw Min, elected representative from West Bassein constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

E. U Myo Aung, elected representative from Tavoy township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

F. U Khin Maung Swe, elected representative from Sanchaung township constituency, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

G. U Chan Aye, elected representative from Moulmein township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

H. U Soe Nyunt, elected representative from Kyauktan township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

I. U Tin Htut, elected representative from Einme township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

J. U Ohn Kyaing, elected representative from Mandalay southeast township constituency-2, whose status had been annulled by the commission in accordance with the People's Assembly Elections Law, as he is serving a prison term;

K. U Thein Dan, Mandalay.

2. U Win Khet, who is now a fugitive, has been removed as an NLD member effective 26 March 1991.

3. Submission from the Zomi National Congress that the following members have been allowed to resign from the Central Executive Committee:

A. Tan Tang Lian Pau, general secretary [elected representative from Tonzang constituency, Chin state]

B. Pu Kan Sin Man, secretary-1.

C. Pu Pong San Hlian.

D. Pu San Khan Sin.

Karen Rebels: Offensive Against Manerplaw Stalled

BK2501020992 Bangkok BANGKOK POST in English 25 Jan 92 p 6

[Text] Karen Rebels have stalled a Burmese army offensive on their headquarters at Manerplaw, according to a news release by the Karen National Union [KNU].

The report said the rebels had inflicted heavy casualties on the attacking Burmese army force.

The release claimed that until January 20, a total of 259 Burmese soldiers were killed, and more than 600 wounded while the KNU suffered 11 killed and 72 wounded. Some 52 porters pressed-ganged by Burmese forces were also killed in action.

The release said Rangoon had deployed several thousand soldiers from the 55th and 44th divisions in the area of Manerplaw since mid-December.

Manerplaw is significant as the seat of the National Coalition Government of the Union of Burma and the headquarters of various anti Rangoon groupings, including the Democratic Alliance of Burma (DAB), the National Democratic Front (NDF), the All Burma Young Monks Union (ABYMU) and the All Burma Students Democratic Front (ABSDF).

The report claimed Burmese troops had press-ganged some 10,000 civilians from railway stations, entertainment places and rice farms to serve as porters to carry arms, ammunition and supplies.

Over 3,000 civilians have fled across the border to seek temporary refuge on Thai soil, the release said.

The Karen Refugee Committee's December report said there were 38,163 Karen refugees living in camps inside Thailand.

Brunei, Malaysia & Singapore

Malaysia

Singapore's Move on U.S. Naval Facilities Viewed

BK2501122292 Kuala Lumpur UTUSAN MALAYSIA in Malay 6 Jan 92 p 6

[Editorial: "U.S. Military Facilities in Singapore"]

[Text] U.S. President George Bush announced last Saturday that the U.S. Navy's logistic facilities, currently based in Subic Bay in the Philippines, will be moved to Singapore next year. Singapore has basically agreed to the U.S. plan.

Such a decision should surprise nobody and can even be expected after the two countries signed a memorandum of understanding in September 1990 in which Singapore agreed to provide certain facilities for the U.S. Air Force and the U.S. Navy in this region.

Other ASEAN countries have also understood the decision by the two countries and have not voiced their objection because the agreement simply provides military facilities to the United States. Other ASEAN countries are also known to have informally provided similar facilities to the United States from time to time.

However, it is true that the decision to move the U.S. Navy's logistic facilities to Singapore will cause several problems.

Is this the first step taken by the United States to turn Singapore into its new military base in Southeast Asia? If so, what are the implications to the regional security? What will happen to the ASEAN-initiated ZOPFAN [Zone of Peace, Freedom, and Neutrality]?

Everybody may have his own view on the latest agreement between the two countries, but in this case, we believe that we should not reach a hasty conclusion.

We believe that as an independent and sovereign state, Singapore is entitled to determine its own future and with whom it wants to be friendly or hostile. As a country which respects its neighbor, we also believe that the republic will inform the implications of its decision to other Southeast Asian countries. As our Foreign Minister Datuk Abdullah Ahmad Badawi pointed out yesterday, Singapore obviously had not fully briefed its ASEAN partners on the issue yet.

When we say that Singapore should have briefed its ASEAN partners, we do not mean to say that Singapore should be held accountable by its neighbors for any action it has taken. Our move is aimed primarily at preventing misunderstanding among Singapore's neighbors, which may lead to unnecessary prejudice and threaten ASEAN unity.

A misconception as to what Singapore really wants seems to have arisen now. In certain ASEAN quarters, there are those who suspiciously view Singapore's decision as an effort to strengthen the republic's own defense. This perception, if it is erroneous, should be corrected.

It is therefore necessary for Singapore to provide a convincing explanation to prevent the misunderstanding from becoming more serious and complicated.

'Diplomatic Settlement' of Spratly Claims Urged

BK2501143092 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 25 Jan 92

[Text] Malaysia welcomes any diplomatic settlement of the claims over the Spratly Islands. Defense Minister Datuk Sri Najib Tun Razak says physical development of these islands can follow later. However, the question of security should be given importance and priority constantly. He told reporters this after opening a talk on Vision 2020 in Bahang, Negeri Sembilan. He was commenting on the security implication of an agreement between Malaysia and Vietnam to develop the continental shelf claimed by both countries.

SRV Move To Enhance Regional Ties Viewed

BK2401093292 Kuala Lumpur NEW STRAITS TIMES in English 23 Jan 92 p 10

[Editorial: "Taking Care of Business"]

[Text] Now that its most important trading partner, the Commonwealth of Independent States, is being distracted by the monumental problems in feeding its own people, Vietnam must feel a greater need, not only to speed up its Doi Moi (Renovation) programme and the country's transition to a free market economy, but also to develop and strengthen its economic ties with other trading partners. Within that context, the member countries of ASEAN are a logical focus because of their geographical proximity, which in turn prompts the need to ensure that the region is not beset by political differences, particularly now that the last awkward sticking point in relations—the Cambodian conflict—is being settled.

In a meeting with Prime Minister Datuk Sri Dr Mahathir Mohamed at the start of his four-day visit to Malaysia, Vietnamese Prime Minister Vo Van Kiet asked Malaysia to express Vietnam's desire for observer status in ASEAN (this request to be presented at the grouping's summit next week in Singapore). Our Prime Minister, in turn, is reported to have expressed the hope that one day Vietnam will become a full member of ASEAN.

An illustration of the positive relations growing between the two countries is the agreement to develop jointly the Spratly Islands and parts of the continental shelf claimed by both countries. As Foreign Minister Datuk Abdullah Ahmad Badawi put it: "It is better to work together than spend our time and energy quarrelling over the islands." (This amicable understanding between Malaysia and Vietnam conjures up a vision of a similar understanding being achieved with the other claimants—China, Taiwan, the Philippines, Brunei—to the area, and thus providing an example of a less fractious way of settling international disputes over territory.)

At the moment, trade between the two countries is still relatively small-scale (last year the total was only [Malaysian Ringgit] $146 million), but this only means there is a lot of room for growth and improvement. There is a production sharing agreement between the two countries governing the prospecting for oil and gas in Vietnam's continental shelf. A local architectural firm is involved in ambitious plans for the development of vast areas of Vietnamese cities. Rubber, hotels and holiday resorts—the list of plans and projects in Vietnam in whichs Malaysian companies and organisations are involved are growing by the day.

Of course, there are problems. Much of Vietnam is still struggling to unearth itself from under the impoverishment resulting from decades of conflict. Industries and business are technologically backward. The transition to a free market economy is being slowed down by the opposition of army and party ideologues who are unable to reconcile the "purity" of their long struggle with the seeming decadence of an unrestrained economy with attendant consequences of social vices such as greed and inequality. However, the price for poverty and inefficiency must be paid sooner or later, and Vietnam's economy will have to take on modern features if it wants to do business.

Malaysia has offered to provide assistance, and in just a couple of days here Prime Minister Vo Van Kiet has noted a similarity in conditions that suggests that Vietnam can learn from Malaysia's experience in developing land schemes and the development of our plantation sector, particularly that of rubber and oil palm.

Joint-Venture Commercial Bank Inaugurated 21 Jan

BK2301091692 Kuala Lumpur NEW STRAITS TIMES in English 22 Jan 92 p 15

[Text] The Bank of Investment and Development of Vietnam (BIDV) plans to set up branches in Malaysia, Singapore, and other Southeast Asian countries. Chairman Nguyen Van Doan said the bank would first have to obtain approval from authorities in Vietnam.

BIDV, the only government bank for investment and development and established in 1957, has 52 branches in Vietnam and a total staff strength of 3,000.

Its joint venture with Public Bank, VID [Vietnam Investment and Development] Public Bank, would be opened simultaneously in Hanoi and Ho Chi Minh City by the first quarter of this year.

The joint-venture bank was inaugurated yesterday by Vietnamese Prime Minister Vo Van Kiet.

Public Bank Chairman Tan Sri Thong Yaw Hong told reporters after the inauguration ceremony that the initial paid-up capital of VID Public Bank of $27 million would be enlarged as and when the need arises.

"VID Public Bank is a commercial bank. As such, it would conduct normal banking activities."

300 Opposition Members in Sabah Join UMNO

BK1801145792 Kuala Lumpur Radio Malaysia Network in Malay 1430 GMT 18 Jan 92

[Text] As many as 337 members of the Sabah United Party [PBS] in the Balung Division led by Mr. Yusuf Pachong, the division's vice chairman, today joined the United Malays National Organization [UMNO]. Their membership forms were submitted to Tan Sri Sakaran Dandai, minister for land development and cooperatives, in his capacity as chairman of the Sampurna Division UMNO Sponsorship Board. Earlier, Tan Sri Sakaran inaugurated 11 new UMNO divisions in the Balung Division. The Sampurna Division UMNO now has some 22,000 members and 400 branches.

Cambodia

Abduction, Murder of Government Official Reported

Sihanouk Calls SNC Meeting

BK2601022492 Hong Kong AFP in English 0206 GMT 26 Jan 92

[By Sheri Prasso]

[Text] Phnom Penh, Jan 26 (AFP)—Prince Norodom Sihanouk called an emergency meeting Sunday of the Supreme National Council to demand an inquiry into an apparent political murder which he said threatened the Cambodian peace process.

"We have to wash our dirty laundry ourselves," he said at the early-morning gathering of the four previously warring factions on the council.

Envoys from the five permanent members of the U.N. Security Council—Britain, China, France, Russia and the United States—along with U.N. special representative Yasushi Akashi were to join them later.

Sihanouk condemned the murder of Tea Bun-long, a middle-level official in the National Front who had spoken out recently against government corruption.

The assassination, "believed by some observers to have been motivated by political considerations... puts in danger our process of peace and democratization and the environment of neutrality in our capital," Prince Sihanouk said in a statement released at the meeting.

He demanded that the Phnom Penh government make a thorough investigation to find the killers.

"I demand that... the specter of hate between Cambodians and of insecurity and terrorism be banished from Cambodia," Prince Sihanouk said.

Tea Bun-long, 59, was in charge of Buddhist affairs at the National Front, a communist-style organization joining respected members of the community in support of the government.

He was abducted from his home Wednesday evening by two men in a Soviet-made jeep, taken to a field outside the capital and shot to death, mourners at his funeral Saturday said.

Such jeeps are often driven by Phnom Penh army and security forces, but diplomats said the attack could be the beginning of a destabilization campaign by forces such as the Khmer Rouge which oppose the Phnom Penh government.

Another diplomat said the attack might have been timed to pressure Akashi, who heads the United Nations Transitional Authority in Cambodia (UNTAC), into deploying U.N. peacekeeping forces immediately. UNTAC is not scheduled to arrive until April, but all sides have been pushing for its immediate arrival.

The slaying took place the same day Akashi arrived for a six-day visit to evaluate Cambodia's peace process.

"I ask once again that the United Nations and its secretary general send UNTAC as soon as possible to take over the powers and responsibilities provided in the peace accord," Prince Sihanouk said in the statement.

The peace treaty directs UNTAC to take charge of internal security in Cambodia.

Because all his identification was removed, the body was not confirmed to be that of Tea Bun-long until Friday.

Tea Bun-long is not well known and had recently spoken out against government corruption, particularly the pocketing of aid destined for the victims of last year's flooding, mourners said.

The funeral was held in an atmosphere of fear, with family members declining to speak and friends who spoke on the condition of anonymity looking constantly over their shoulders.

One man nodded his head when asked if he was told to keep silent.

Another mourner speculated that the government chose to kill a lesser-known figure in the expectation it would cause less of an outcry while still sending a message to those becoming bolder in their criticisms of the government.

"Perhaps he said too much. Perhaps he knew too much," said a third mourner. "He talked and talked, but he was harmless."

However, one Western diplomat with years of experience in Cambodian politics said the assassination theory sounded unlikely. "But reportedly he was fairly critical of Chea Sim," the diplomat added.

Chea Sim is the strongman behind the Phnom Penh government, president of the Cambodian People's Party and chairman of the National Assembly. He has been known to order the arrests of dissidents.

Tea Bun-long had no wife or children and would have been home alone at the time of the abduction, his friends said.

Radio Reports 22 Jan Abduction

BK2701051692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 26 Jan 92

[Text] At around 1900 on 22 January when Mr. Tea Bun-long left a pray-for-peace ceremony at Onnalaom Monastery and headed for his house west of Santhor Mok School, he was forced into a car and driven away by two individuals. On Thursday, 23 January Mr. Tea Bun-long's children and relatives reported this abduction to the competent authorities. On 25 January the Interior Ministry uncovered Mr. Tea Bun-long's body at Bati District, Takeo Province. The body was marked by two bullet holes, one on the left cheek and the other on the right hand.

Such a murder has never before occurred in the past 13 years. This is the first time since the signing of the Paris accord allowing different parties to be present in Phnom Penh that such a murder has been perpetrated against an official of the State of Cambodia. This murder case is being investigated by the competent authorities.

Sihanouk Demands Investigation

BK2701014692 (Clandestine) Voice of the Khmer in Cambodian 2300 GMT 26 Jan 92

["Unofficial translation of statement by His Royal Highness Prince Norodom Sihanouk, Cambodia's head of state and chairman of the Supreme National Council"—read by announcer Prak Vansen]

[Text] On the night of 22 January 1992 in Phnom Penh, Mr. Tea Bun-long was abducted by unidentified men. His body was found the next day; he had been shot dead by the murderers.

I strongly condemn this murder, believed by some observers to have been motivated by political considerations.

I call on the Government of the State of Cambodia to carry out a thorough investigation to discover the motives behind this murder, and if possible, to arrest and punish those who committed this murder, which threatens the process of peace and democracy in Cambodia and the neutral atmosphere in our capital city.

On behalf of the SNC, I demand that all Cambodian people's rights and freedoms be respected and ensured, and that measures be taken to eradicate the specter of fear and hate between Cambodians and to eliminate insecurity and terrorism.

I ask once again that the United Nations and its secretary general send the forces of the UN Transitional Authority in Cambodia as soon as possible to take over the powers and responsibilities provided in the peace agreement signed in Paris on 23 October 1991.
[Signed] His Royal Highness Prince Norodom Sihanouk
Phnom Penh, 25 January 1992

Phnom Penh Regrets Assassination

BK2701043692 Hong Kong AFP in English 0428 GMT 27 Jan 92

[Text] Phnom Penh, Jan 27 (AFP)—Cambodian politician Tea Bun-long, whose murder last week sparked a political crisis here, could have been killed because of his alliance with a resistance faction, Phnom Penh Foreign Minister Hor Namhong said Monday.

He said Phnom Penh had no reason to welcome the death of Tea Bun-long, who according to friends and colleagues was assassinated for speaking out against corruption in the government.

Asked why the politician, who was in charge of the religious affairs for the pro-government National Front, would have been assassinated, the foreign minister said, "Tea Bun-long belongs to the other resistance faction."

"On the other hand, (he) assisted us a lot at the front in dealing with religious affairs. We have no reason to see Tea Bun-long die, because he has helped us a lot dealing with religious ceremonies in the last year," Hor Namhong told a press conference.

Mourners at his funeral Saturday said he had spent time in a refugee camp controlled by the Khmer People's National Liberation Front (KPNLF) loyal to former Prime Minister Son Sann.

He returned to Phnom Penh about five years ago after the government gave him permission, they said.

The foreign minister said Tea Bun-long had very good relations with Chea Sim, the government's strongman who heads the Cambodian People's Party and is known to control internal security.

Diplomats and friends of the victim had said he had recently spoken out against Chea Sim.

Hor Namhong said he was worried about political assassinations beginning in the country.

"Recently there were killings in Kompong Cham and Battambang of our police forces," he said. "We are worried about the incidents of terrorism which might in the future increase."

"After the gathering of the four Cambodian factions (here) we have observed killings in terrorism in the capital and the provinces," he said.

He did not cite any specific examples other than the killing of Tea Bun-long and the police.

Prince Norodom Sihanouk, chairman of Cambodia's representative Supreme National Council, said Sunday Tea Bun-long's murder last Wednesday by two men in a jeep was a serious threat to the peace process.

The prince questioned whether it was a political killing organised by the Ministry of the Interior, and urged an immmediate investigation.

Peace Process Threatened

BK2701095992 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Jan 92

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Cambodian Supreme National Council [SNC], said yesterday that the assassination of an official of the Phnom Penh side is a serious threat to the Cambodian peace process and called for an investigation into the matter because a military jeep was used in the abduction of the victim.

HRH Prince Norodom Sihanouk, while calling on the Phnom Penh authority of the communist regime to investigate the assassination of Tea Bun-long, an official of this regime, also called for the elimination of insecurity and terrorism in Cambodia.

According to information from Tea Bun-long's relatives, Mr. Bun-long frequently criticized corrupt activities of the government of the communist leaders in Phnom Penh. This has led various opinions to think that this murder was linked to a policy of intimidation.

HRH Prince Norodom Sihanouk convened a meeting of all four Cambodian parties at the royal palace yesterday morning to discuss the security issue. Afterward, representatives of the five permanent members of the UN Security Council, and the special representative of the UN Secretary General, Yasushi Akashi, chief of the UN Transitional Authority in Cambodia, also took part in the meeting.

Vietnamese Foreign Minister Pays Official Visit

Joint Communique Issued 25 Jan

BK2501152092 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 25 Jan 92

["Joint Communique;" dated 25 January 1992—read by announcer]

[Text] 1. At the invitation of His Royal Highness [H.R.H.] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, His Excellency [H.E.] Nguyen Manh Cam, foreign Minister of the SRV, paid an official visit to Cambodia from 24 to 26 January 1992. H.R.H. Prince Norodom Sihanouk, head of state and chairman of the SNC, warmly received in audience H.E. Nguyen Manh Cam at Khemarin Palace and hosted a luncheon in his excellency's honor.

H.E. Nguyen Manh Cam paid a courtesy visit to H.E. Heng Samrin, chairman of the State Council; H.E. Chea Sim, chairman of the National Assembly; and H.E. Hun Sen, chairman of the Council of Ministers and member of the SNC. H.E. Nguyen Manh Cam also met with H.E. Hor Namhong, foreign minister of the State of Cambodia [SOC] and member of the SNC, and some members of the SNC.

During his stay in Cambodia, H.E. Nguyen Manh Cam and his entourage laid a wreath at the Cambodian-Vietnamese Friendship monument and visited a number of cultural centers in the capital city.

All meetings and talks were conducted in an atmosphere of friendship and mutual understanding. And the delegation was warmly welcomed by the Cambodian people in the areas it visited. The peoples of the two neighboring countries—Cambodia and Vietnam—have the traditional relations of friendship and have long provided mutual assistance to one another;

2. The Vietnamese side highly esteemed the policy of H.R.H. Prince Norodom Sihanouk—head of state and SNC chairman—aimed at strengthening and developing the traditional relations of friendship and solidarity between the two peoples. The two sides underlined the importance of a new phase for developing the traditional relations with the aim of establishing good relations of friendship between the two neighboring countries based on the principle of the mutual repect for independence, sovereignty, and territorial integrity; noninterference in the internal affairs of each country; nonuse of force or threat of force, and settlement of all issues through peaceful means in relations, cooperation, equality, mutual interests, peace, and coexistence. This is in response to the long-term fundamental interests of each people and in conformity with the prevailing trend in the international relations in the region and the world;

3. In this spirit, the two parties agreed to gradually resolve through negotiations in an appropriate time and with satisfaction all problems existing in the bilateral relations on the basis of respect for independence, sovereignty, and territorial integrity in the legitimate interests of each party and for mutual benefit by taking into consideration the laws of each country and international customs;

4. In the same spirit, the two parties encouraged the expansion of cooperation in the economic, trade, cultural, scientific, and technical fields between the two peoples;

5. The two parties considered that the global accord on a political settlement of the Cambodian conflict signed at the Paris international conference on 23 October 1991 have created favorable conditions for the restoration of peace in Cambodia, thereby allowing the Cambodian people to rebuild their country, contributing to peace, stability, and development in the region.

The two parties underlined the importance of implementing the Paris accord and considered that the process would provide the opportunity for the Cambodian people to achieve national reconciliation and reunification and to exert their right to self-determination through general free elections to build an independent, sovereign, peaceful, neutral, and nonaligned Cambodia.

The two parties considered the absolute respect for independence, sovereignty, territorial integrity, and perpetual neutral statute of Cambodia as stipulated in the Paris accord on Cambodia an important factor contributing to guaranteeing peace and development of Cambodia and its neighbors;

6. The two parties expressed pleasure at the positive evolution in Southeast Asia—confrontations of the last decade have been replaced by the currently reinforced tendency toward developing friendship and cooperation; creating favorable conditions for the consolidation of peace, cooperation, and development of the regional countries and the establishment of the equitable and immaculate international relations in this region. The two parties expressed their determination to actively participate in regional cooperation to transform Southeast Asia into a zone of peace, friendship, and cooperation, contributing to the consolidation of peace in the world;

7. The two parties valued that the talks conducted during the SRV foreign minister's official visit to Cambodia produced positive results in response to the two peoples' ardent aspiration for the incessant reinforcement of the traditional relations of friendship, cooperation, and good neighborliness;

8. H.E. Nguyen Manh Cam and his entourage expressed sincere thanks for the sentiments of friendship and the cordial and warm hospitalities that H.R.H. Prince Norodom Sihanouk, head of state and SNC chairman, and the Cambodian side had granted to his excellency and his entourage.

[Dated] Phnom Penh, 25 January 1992.

Communique on Cooperation Signed

BK2501165292 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 25 Jan 92

[Text] At 1130 on 25 January, His Royal Highness [H.R.H.] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, granted an audience to His Excellency [H.E.] Nguyen Manh Cam, Vietnamese foreign minister, and his entourage.

H.E. Nguyen Manh Cam informed the samdech about the objective of his visit which is aimed at promoting the relations of solidarity and friendship and economic cooperation between the two countries, Vietnam and Cambodia. He wished the samdech every success in the implementation of his supreme tasks in Cambodia and expressed ardent hope that Cambodia would certainly recover peace in the near future.

H.R.H. Prince Norodom Sihanouk thanked the SRV Government for its participation in the signing of the Paris peace accord, contributing to the search for peace for the Cambodian motherland and people. The samdech also told his guest about a visit of the SNC headed by himself to Vietnam, Laos, China, and Korea scheduled for March and April this year.

The meeting ended after H.R.H. Prince Norodom Sihanouk and H.E. Nguyen Manh Cam signed a joint communique concerning the treaty on economic cooperation between Cambodia and Vietnam.

Pact on Mutual Respect Signed

BK2701062292 Phnom Penh SPK in English 0440 GMT 27 Jan 92

[Text] Phnom Penh SPK January 27—Cambodia and Vietnam signed in Phnom Penh Saturday an agreement on mutual respecting of sovereignty and territorial integrity between the two countries.

The agreement was signed by Prince Norodom Sihanouk, chairman of the Supreme National Council of Cambodia (SNC) and Nguyen Manh Cam, Vietnamese foreign minister who is on an official visit to Cambodia.

Mr. Cam said that Vietnam and Cambodia agreed not to intervene into internal affairs of each other and to promote bilateral cooperation, especially in social and cultural fields.

Prince Sihanouk, who also once postponed his originally scheduled visit to Vietnam last December, said he and Prime Minister Hun Sen would pay an official visit to Vietnam in May before visiting Laos. The prince further said he would visit North Korea and China in March and April.

The signatory ceremony was also attended by Norodom Ranariddh, member of the SNC of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], Hor Namhong, SNC member of the State of Cambodia, and representatives of the Khmer Rouge and the KPNLF [Khmer People's National Liberation Front].

'Cordial' Talks Held With Hor Namhong

BK2601094992 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 25 Jan 92

[Text] His Excellency [H.E.] Hor Namhong, foreign minister of the State of Cambodia [SOC] and member of the Supreme National Council [SNC] of Cambodia, held cordial talks with H.E. Nguyen Manh Cam, foreign minister of Vietnam, at the Foreign Ministry on the morning of 25 January.

H.E. Hor Namhong welcomed H.E. Nguyen Manh Cam and his delegation, who were visiting the SOC at the new stage of the Paris accord on Cambodia and according to the relaxed situation in the world, especially in Southeast Asia. On behalf of the SOC Government and the SNC, he thanked Vietnam for its important contribution to the signing of the Paris peace accord. He spoke about the efforts of His Royal Highness [H.R.H.] Prince Norodom Sihanouk, chairman of the SNC and head of state of Cambodia, in preserving good relations with countries all over the world, specifically the neighboring countries, namely Vietnam, Laos, and Thailand. He considered the visit a new move to reinforce and expand Cambodian-Vietnamese relations at this new stage.

H.E. Hor Namhong also briefed H.E. Nguyen Manh Cam on the past implementation of the Paris accord on Cambodia. He told his guest that under H.R.H. Prince Norodom Sihanouk's clear-sighted and skillful leadership—although the UN Transitional Authority in Cambodia [UNTAC] is still not present in Cambodia—the Paris accord has been fairly properly executed. The five major powers and UNTAC have been pleased with the process of implementing the Paris accord. The SNC has met regularly despite the absence of some members; the SNC Secretariat, the mixed military working group, the process of clearing mines, the training in finding and defusing mines, and the state authority for clearing mines have all been operating; and new guarantees of human rights have also been implemented and guaranteed by the SOC. All the Cambodian parties have pledged to abide by the Paris accord despite some violations committed by the other Cambodian side.

Afterward, H.E. Hor Namhong exchanged views with H.E. Nguyen Manh Cam on the general situation in the world and Southeast Asia in particular. The two parties agreed that since the signing of the Paris accord, the situation in Southeast Asia has been relaxed, favoring friendly cooperation and development in the region.

On bilateral relations, the two sides concurred in doing as much as possible to firm up the friendly economic and trade relations based on repect for independence, sovereignty, and territorial integrity; noninterference in the internal affairs of each country; nonaggression; and the settlement of all issues through peaceful means. The two parties were of the opinion that this new situation constitutes a new basis for bilateral relations.

For his part, H.E. Nguyen Manh Cam thanked the Cambodian side for the hospitality shown him and his delegation and expressed pleasure with the appropriate implementation of the Paris accord and the Cambodian national reunification policy under the leadership of H.R.H. Prince Norodom Sihanouk.

Receives Warm Welcome From Chea Sim

BK2601070692 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 25 Jan 92

[Text] On the afternoon of 25 January at the cabinet of the Cambodian People's Party [CPP], His Excellency [H.E.] Chea Sim—chairman of the CPP Central Committee, National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense—granted an audience to H.E. Nguyen Manh Cam, foreign minister of the SRV, and his delegation that came to pay a courtesy visit to him.

After receiving a warm welcome, H.E. Nguyen Manh Cam expressed overwhelming support for national reunification in Cambodia aimed at bringing about genuine independence, peace, and sovereignty for the Cambodian people and Cambodia. He added that the Vietnamese Government would strive to expand the existing relations of solidarity and friendship and economic cooperation with Cambodia in the spirit of the peace accord signed in Paris on 23 October 1991.

In his reply, H.E. Chea Sim reaffirmed the neighboring relations of solidarity and friendship and economic cooperation between Cambodia and Vietnam. He also spoke about the implementation of the Paris peace accord, stressing that despite violations committed by some parties, the State of Cambodia side remained optimistic and would continue to execute the accord 100 percent.

Reaffirms No Troops in Cambodia

BK2601142592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 26 Jan 92

[Text] At 0900 [0200 GMT] on 26 January at Chamka Mon State Palace, His Excellency [H.E.] Nguyen Manh Cam, foreign minister of the SRV, held a news conference for many national and international correspondents.

Answering questions raised by correspondents, H.E. Nguyen Manh Cam underlined that his delegation's visit to Cambodia had scored a remarkable success. He was received in audience by His Royal Highness [H.R.H.] Prince Norodom Sihanouk and met with top leaders of the Cambodian People's Party and the State of Cambodia. He added that H.R.H. Prince Norodom Sihanouk would pay a visit to the SRV this year.

On the issue of the presence of Vietnamese forces in Cambodia, H.E. Nguyen Manh Cam pointed out that no Vietnamese volunteer troops remain in the country since the complete withdrawal of the Vietnamese volunteer forces from Cambodia in September 1989.

Departs 26 Jan

BK2701051892 Phnom Penh SPK in French 0407 GMT 27 Jan 92

[Text] Phnom Penh 27 Jan (SPK)—SRV Foreign Minister Nguyen Manh Cam left Phnom Penh Sunday afternoon, 26 January, at the end of a three-day visit to Cambodia made at the invitation of Prince Norodom Sihanouk, head of state of Cambodia and chairman of Cambodia's Supreme National Council (SNC).

The head of Vietnamese diplomacy was seen off by his counterpart of the State of Cambodia [SOC], Mr. Hor Namhong.

During his stay, Mr. Nguyen Manh Cam was received by Prince Norodom Sihanouk; Heng Samrin, chairman of the SOC State Council; Mr. Chea Sim, chairman of the Cambodian People's Party Central Committee and chairman of the National Assembly; and Mr. Hun Sen, chairman of the Council of Ministers and SNC member, and held talks with his Cambodian counterpart Hor Namhong.

Mr. Nguyen Manh Cam visited the National Museum and the Silver Pagoda and gave a press conference before his departure.

In a communique issued at the end of his visit, Mr. Nguyen Manh Cam appreciated the policy of His Royal Highness Prince Norodom Sihanouk aimed at consolidating and developing the traditional relations of friendship and solidarity between the two peoples.

UN Special Envoy Akashi's Activities Noted

Meets Khieu Samphan

BK2501034592 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Jan 92

[Text] On the morning of 23 January at the office of the Supreme National Council [SNC] in Phnom Penh, His Excellency [H.E.] Khieu Samphan, SNC member and chairman of the Party of Democratic Kampuchea [PDK], cordially held talks with H.E. Yasushi Akashi, special representative of the UN secretary general in Cambodia.

Following is the essence of the talks.

After H.E. Khieu Samphan congratulated H.E. Akashi on his appointment as the UN secretary general's special representative, the latter said: I would like to thank you for your warm statement and also for arranging the meeting. I would like to inform you that the United Nations and myself will be neutral, not biased toward any side, and will deal with all sides equally. The United Nations will strive to implement every clause of the Paris agreement.

H.E. Khieu Samphan said: I would like to thank you for the guarantee that the United Nations will implement all the clauses of the agreement. I would like to hand over to you on this occasion a copy of the PDK's memorandum dated 21 January 1992 and titled: It Is Imperative To Completely and Correctly Implement the Comprehensive Accord on Cambodia and Not Deviate From the Accord.

As you know, it is exactly three months since the signing of the agreement in Paris. Like the entire Cambodian people, we are still waiting for the arrival of the UN Transitional Authority in Cambodia [UNTAC]. Events of the past three months have made us even more aware of the need to quickly dispatch the UNTAC forces to Cambodia. At the moment there is only the SNC chaired by His Royal Highness [HRH] Prince Norodom Sihanouk, head of state. In such a situation, major and key issues remain unsolved. As you know, the agreement is to sove the problem comprehensively. Therefore, the implementation should also be comprehensive: We cannot leave one clause out while another is implemented or partly implemented. I would like to recall that the Paris agreement contains major clauses that must be implemented:

1. Supervision of the withdrawal of all types of foreign aggressor forces from Cambodia;

2. Supervision of the disarming of all four Cambodian parties' armed forces to create a neutral political atmosphere in Cambodia; and

3. Supervision of free and fair elections;

In fact, to this day these three points have not been resolved. Even preparations to solve them have not yet been made. The problem is that UNTAC is not yet deployed in Cambodia.

I would like to take the opportunity of Your Excellency being in Cambodia in person to inform you about this issue so that you are aware of it. As for others issues, they cannot be resolved as long as the three matters mentioned above remain unresolved. UNTAC's presence in Cambodia is required to resolve the three major and key issues.

Your Excellency has informed public opinion that in your estimate UNTAC cannot be in Cambodia soon. This worries us as well as the entire Cambodian people because if there is a delay in the dispatch of UNTAC to Cambodia it will endanger the agreement and peace and security in Cambodia and in this region.

H.E. Akashi said: I understand your concern. H.E. the UN secretary general also realizes the need to quickly dispatch UNTAC forces to Cambodia. I will strive to push for this upon my return to New York. I agree with you that implementation of the agreement requires UNTAC's presence. I would like to take this opportunity to make the same appeal to you that I have made to all parties.

1. All parties should respect the cease-fire;

2. All parties should cooperate with the current UN Advance Mission in Cambodia [UNAMIC].

H.E. Khieu Samphan said: I would like to thank you for the guarantee that you will push for the quick dispatch of UNTAC forces to Cambodia because this is most essential; if UNTAC arrives soon, it could help save the agreement. Like the entire people, we hope Your Excellency understands the value of this agreement for peace in Cambodia and the value of peace, security, and stability in this region. If the value of peace in Cambodia is recognized, there should not be any obstacles.

Concerning respect for the cease-fire, I would like to inform you of the following:

Like the entire Cambodian people, we are victims of this war of aggression. Usually, victims very much want peace and security and very much want foreign troops to withdraw. Victims want and respect the agreement because the agreement clearly demands the withdrawal of all foreign forces from Cambodia under proper UNTAC supervision. Like the entire Cambodian people, we have made sacrifices for 13 years to get foreign forces withdrawn from Cambodia. Now we have the agreement, which requires that foreign troops be withdrawn from Cambodia under proper UNTAC supervision. We fully support the agreement and fully respect the cease-fire.

It is the aggressors who do not want to withdraw from Cambodia and are trying to find ways and means to continue occupying Cambodia. We have been patient and have not made any protest because we think that accusing one another will not solve anything. In our view, only when UNTAC comes can the agreement and the cease-fire be implemented. HRH Prince Norodom Sihanouk, head of state of Cambodia and SNC chairman, has many times said this, particularly at the 11 January session at which he said: At the moment we are not implementing the agreement.

The problem is how to implement the agreement. If the four Cambodian parties are left to themselves or if there is only the SNC, the problem cannot be solved because there is another factor—namely, foreign aggressor forces currently in Cambodia. Can foreign aggressor forces be left to implement the cease-fire? I believe that Your Excellency's answer is no. This is why I have again and again said that UNTAC should be quickly dispatched to Cambodia.

We will not level accusations against anyone because we contend that only when UNTAC is in Cambodia can this be resolved and the agreement implemented, including supervision of the cease-fire.

On the second issue, Your Excellency called on us to cooperate with UNAMIC, and I would like to inform you that H.E. Son Sen has provided all information to UNAMIC. However, the things to be implemented cannot yet be done. I would like to say that the war is still on in Cambodia; there is no peace yet. Only when UNTAC arrives in Cambodia can the SNC, headed by HRH Prince Norodom Sihanouk, head of state of Cambodia and SNC chairman, cooperate with the former in implementing all clauses of the agreement, particularly the major and key points I pointed out earlier. If UNTAC has not yet arrived and other secondary matters—minor ones—are resolved, the problem still cannot be solved.

I would like to take this opportunity to recall that we have proposed that a first contingent of 1,000 UN peacekeeping troops be immediately dispatched to Cambodia to be stationed in Phnom Penh, mostly to create a neutral political atmosphere for the SNC to function normally. Furthermore, I would like to recall that we have proposed that UN peacekeeping forces also be deployed in the eastern part of Cambodia.

H.E. Akashi said: We highly value the cooperation of Your Excellency and that of H.E. Son Sen. We have made note of your proposals and views. In the future, if Your Excellency wants to make any proposals or express any views, my door will always be open to you.

Finally, H.E. Khieu Samphan said: I would like to thank Your Excellency and hope that you will push for the quick dispatch of UNTAC forces to Cambodia.

Meets SNC Members

BK2601135592 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 26 Jan 92

[Text] At 1000 [0300 GMT] on 26 January at Khemarin Palace, the Supreme National Council [SNC] of Cambodia held a second meeting with His Excellency [H.E.] Yasushi Akashi, special envoy of the UN secretary general and head of the UN Transitional Authority in Cambodia [UNTAC], under the lofty chairmanship of His Royal Highness Prince Norodom Sihanouk, head of state of Cambodia and chairman of the SNC.

Participating in the meeting were SNC members from the four Cambodian parties, including H.E. Dit Munti, chairman of the Propaganda and Education Commission of the Cambodian People's Party Central Committee; H.E. Hor Namhong, foreign minister of the State of Cambodia [SOC]; H.E. Hun Sen, chairman of the SOC Council of Ministers; Prince Norodom Ranariddh, secretary general of the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia; H.E. Khieu Samphan, representative of the Party of Democratic Kampuchea; H.E. Son Sann, president of the Khmer People's National Liberation Front [KPNLF]; Sin Sen, deputy interior minister of the SOC; H.E. Tie Banh, vice chairman of the Council of Ministers and defense minister of the SOC; H.E. Ieng Muli, secretary general of the KPNLF; as well as H.E. Ataul Karim, head of the UN Advance Mission in Cambodia; representatives of the five UN Security Council permanent member countries; and the Indonesian envoy to Cambodia.

To Spend 'Extra' Day in Provinces

BK2401123592 Phnom Penh SPK in English 1103 GMT 24 Jan 92

[Text] Phnom Penh SPK January 24—Yasushi Akashi, the head of the United Nations Transitional Authority in Cambodia (UNTAC), will spend an extra day here inspecting U.N. base camps in the provinces, the advance mission here said Thursday. Akashi was scheduled to leave Monday after a five-day visit, but changed his schedule in order to spend the day at the military resupply centers in Battambang and Siem Reap Provinces, the mission said.

U.N. military personnel observing the cease-fire are deployed at the jungle or city headquaters of each of the four factions and receive supplies from bases in Battambang and Siem Reap.

Prince Norodom Sihanouk planned to accompany the Japanese U.N. representative on the inspection tour.

'Not Satisfied' With KR Access

BK2701115892 Hong Kong AFP in English 1135 GMT 27 Jan 92

[By Sheri Prasso]

[Text] Phnom Penh, Jan 27 (AFP)—United Nations Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi left here Monday unsatisfied that the Khmer Rouge [KR] were allowing U.N. troops access to all parts of the country.

He said he would discuss the matter at a meeting with faction leader Son Sen in Bangkok.

"I must say I am not satisfied with the freedom of movement in certain parts of Cambodia," Akashi said. "It is incumbent on all the members of the SNC (Supreme National Council) to cooperate fully with the Paris peace accords."

Akashi said cease-fire observer troops were not allowed to travel in certain areas controlled by the Khmer Rouge.

The accords signed in October put an end to Cambodia's nearly 13-year civil war and join the four previously warring factions, including the Khmer Rouge, in the SNC.

Akashi spent the day with Prince Norodom Sihanouk touring a half-built center for repatriation of Cambodian refugees and the provincial headquarters for a small number of U.N. cease-fire observers in Battambang Province.

He said Sunday that deploying UNTAC by April would be difficult.

UNTAC, the largest-ever U.N. peacekeeping force, is to lead Cambodia's factions into elections scheduled for 1993, and there have been widespread calls for it to deploy before the planned April start.

"While April will be very difficult to meet, in view of the very strong and unanimous desire expressed by all the factions to see the earliest possible deployment, I will convey this to all my colleagues and ambassadors at U.N. headquarters," Akashi told reporters late Sunday.

"If they listen to me we might be able to accelerate the date a little bit. Therefore I do not exclude April at least for a partial deployment," he added, then quipped, "although my colleagues might execute me for saying this."

Budgetary and bureaucratic problems at U.N. headquarters in New York threaten to hold up the deployment of the full contingent, which could number more than 10,000 military people alone and cost one billion dollars.

Donor countries, whose attention has turned to other situations in the former Soviet Union, Yugoslavia and El Salvador, have not been forthcoming in contributing to the Cambodia coffers, Akashi said.

An initial 200 million dollars to buy equipment and hire personnel will be freed by the beginning of February, he said.

"I hope these preparatory phases will be completed in eight to 10 weeks," Akashi said. "I think it is vital that these contingents are on the ground before the start of the rainy season" in May.

The problem of where to put UNTAC headquarters was solved at an SNC meeting Sunday. The four factions agreed that UNTAC would take over the former U.S. Embassy—now the Phnom Penh Government's Department of Fisheries—and what was meant to be SNC headquarters.

The SNC building was given to the Khmer Rouge for housing after Khieu Samphan and Son Sen were attacked by a lynch mob after their return to Phnom Penh in November.

The Khmer Rouge are now going to live on the grounds of the Royal Palace, Akashi said.

Sihanouk Says No Vietnamese Troops in Cambodia

BK2501084392 Phnom Penh SPK in French 0132 GMT 25 Jan 92

[Text] Phnom Penh 25 Jan (SPK)—Prince Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, stated that since his return to Cambodia he has seen neither the presence of Vietnamese troops nor any Vietnamese settlement in the country.

The prince reaffirmed this at the talks on Thursday [23 January] with Mr. Yasushi Akashi, special envoy of the UN secretary general, who asked about the situation in Cambodia since the signing of the Paris peace accord. Prince Sihanouk welcomed the nomination of Mr. Akashi as the head of the UN Transitional Authority in Cambodia [UNTAC] and wished for close cooperation between the State of Cambodia [SOC] and other Cambodian factions for the sake of national reconciliation and reunification.

The prince pointed out that harmonious cooperation among the UN Advance Mission in Cambodia [UNAMIC], the representatives of the five permanent members of the UN Security Council, Indonesia, Australia, and the SOC would facilitate the Cambodian peace process.

After informing Mr. Akashi about problems relating to the implementation of democracy in Cambodia, the prince mentioned the reported recent barbarous activities in Kompong Thom Province which affected many thousands of Cambodian families; he considered these acts a violation of the peace accord.

On control over the Armed Forces, Prince Sihanouk said he believed that Mr. Akashi, with his experience, would contribute to the effective application of the accord.

For his part, Mr. Akashi praised the SOC for having appropriately implemented both the peace accord and democracy, adding that he needed a great deal of time to make the peace accord successful and that at the moment, $200 million was needed for the installation of the UNTAC prior to the coming rainy season.

Also present at the meeting were Hor Namhong, foreign minister of the SOC and member of the SNC, and Ieng Muli, member of the SNC.

23 Jan Session of SNC Meeting Reported

BK2501040692 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Jan 92

[Text] On 23 January 1992 at the Khemarin Palace, in the royal palace in Phnom Penh, a meeting of the Supreme National Council [SNC] was held under the chairmanship of His Royal Highness [HRH] Prince Norodom Sihanouk, head of state of Cambodia and SNC chairman. His Excellency [H.E.] Yasushi Akashi, special representative of the UN Secretary General in Cambodia; representatives of the five permanent members of the UN Security Council; and representatives of the Paris conference cochairmen, also took part in the meeting.

HRH Prince Norodom Sihanouk, head of state of Cambodia and SNC chairman, warmly welcomed H.E. Akashi's first presence at the SNC meeting since he was appointed special representative of the UN Secretary General. The prince specified that the 23 January session is a historic one because it is held exactly three months after the signing of the Paris agreement.

H.E. Akashi thanked the prince and the SNC for welcoming him at the 23 January SNC meeting. He informed the prince and the meeting that the United Nations will strive to carry out its duty in accordance with the Paris agreement, particularly pay attention to national reconciliation among all Cambodian parties. H.E. Akashi also reported to the prince and the meeting the establishment of the UN Transitional Authority in Cambodia [UNTAC].

On behalf of the SNC, the prince expressed thanks for H.E. Akashi's efforts.

Communique of SNC Working Group for Repatriation

BK2601093692 (Clandestine) Voice of the Khmer in Cambodian 0340 GMT 26 Jan 92

["Unofficial translation of the Supreme National Council's Communique on the Repatriation of the Cambodian Refugees"—read by Prak Vansen]

[Text] Communique:

His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, presided over the first meeting of the SNC's working group in charge of the repatriation of Cambodian refugees at Khemarin Palace today.

Attending the meeting were His Excellency [H.E.] Sergio Vieira de Mello, special representative of the UN High Commissioner for Refugees [UNHCR]; the ambassadors representing the five UN Security Council permanent member countries; the Indonesian and Thai ambassadors, as well as the representatives of the UN advance mission in Cambodia [UNAMIC], International Committee of the Red Cross [ICRC], and UN Development Program.

The UNHCR representative briefed the audience about the progress of the UNHCR's preparations for repatriating Cambodian refugees and misplaced persons in an orderly manner. He also informed H.R.H. Prince Norodom Sihanouk and the SNC about his assessment of a number of issues that might not be resolved in the near future. And he requested the SNC to cooperate with the UNHCR to begin and complete the repatriation of the Cambodian refugee as soon as possible according to the Paris accord.

The meeting accepted a number of proposals concerning the arrangement for the repatriation of refugees, the refugee locations, the establishment of the refugee reception centers, and the important aspects of the assistance to enable the refugees to have a stable life in the Cambodian society.

After discussing the repatriation issue, and in a spirit of national reconciliation, the SNC issued the following communique:

The time for the return of the Cambodian refugees to Cambodia is nearing. The SNC wishes to reaffirm that it is looking forward to warmly and fraternally welcoming all Cambodian refugees to return to the motherland, especially refugees from Thailand and other countries in the region. The SNC pledges to provide the repatriated Cambodian refugees with all the guarantees stipulated in the Paris accord on Cambodia and to fully respect human rights and the fundamental freedom of the Cambodian people, including the Cambodian refugees and displaced persons to be repatriated, by recognizing their rights to live in peace and security without any threat, intimidation, or oppression.

The SNC also reaffirms its adherence to the principle that the refugees' choice of places for resettlement can be made individually. It pledges to provide the UNHCR, ICRC, and other international agencies concerned with the possibility of access to all places across Cambodia to carry out their duties as specified in the Paris accord. And it pledges to allow the international organizations and agencies concerned to move freely across the border to perform their tasks.

The SNC wishes to praise the SNC working group in charge of the repatriation for its achievements and welcome the group's decision to meet again on 3 February under the lofty chairmanship of H.R.H. Prince Norodom Sihanouk, and to meet regularly.

SNC Guarantees International Access To All Areas

BK2401131392 Hong Kong AFP in English 1257 GMT 24 Jan 92

[Text] Phnom Penh, Jan 24 (AFP)—Cambodia's Supreme National Council (SNC) acted Friday to guarantee international agencies access to all points of Cambodia, just as the International Committee of the Red Cross (ICRC) was attempting the first-ever drive across civil-war battle lines.

The ICRC left in the morning with a convoy carrying 57 freed prisoners of war (POWs) and was planning to take them from Phnom Penh-held territory to an area controlled by their own faction, FUNCINPEC.

The trucks reached the northwest Province of Battambang by evening, said Jean-Jacques Fresard, head of the

ICRC delegation in Phnom Penh, and would attempt the delicate battle-line crossing on Saturday.

Cambodia's four previously warring factions met Friday as the SNC's working group on repatriation, which includes second-level delegates from each faction. But a statement issued at the end of the meeting said its decisions were being made on behalf of the full SNC.

The SNC guarantees the ICRC, United Nations High Commissioner for Refugees, "and other relevant international agencies full access throughout Cambodia to carry out their respective functions as provided for in the Paris agreements" ending the civil war, the statement said.

Diplomats from the five permanent members of the U.N. Security Council who attended the meeting said prior notice was necessary to cross internal borders.

Being able to drive from Phnom Penh all the way to the Thai border "has a meaning which goes further than just getting people back to their areas," Fresard said before the convoy left.

Despite the end of the civil war, the four Cambodian factions maintain their areas of control and their front lines, which are heavily mined.

Access to the factions' zones has been possible only through Thailand for the last 13 years.

The POWs returning to their zone were all detained in and around Phnom Penh, some for as long as 12 years.

SNC Allow Khmer Rouge To Live in Royal Palace

BK2601110692 Hong Kong AFP in English 1043 GMT 26 Jan 92

[Text] Phnom Penh, Jan 26 (AFP)—The Supreme National Council (SNC) decided Sunday to let Khmer Rouge leaders live in the royal palace and to house the U.N. peacekeeping headquarters at the former U.S. Embassy.

Prince Norodom Sihanouk made the proposal in a surprise announcement that received applause from those present, sources who attended the meeting said.

"According to the prince, it is like the Kremlin, the heart and center of this capital, and the security situation will also be very satisfactory there," Yasushi Akashi, the head of the United Nations Transitional Authority in Cambodia (UNTAC), said at a press conference.

Akashi said he would live in the present residence of the Khmer Rouge—which was designed to be the SNC's headquarters but given to Khieu Samphan and Son Sen as their residence after the two were attacked by a lynch mob in November.

His immediate staff would be on the ground floor of the enormous building, which used to be the residence of the governor-general of France when the country was a French protectorate until the 1950s.

Akashi said, "I am very happy and pleased to get this magnificent gesture on the part of Prince Sihanouk, which had the agreement of all members of the SNC," the interim body grouping representatives of the former resistance movement and the Phnom Penh Government.

Other staff would be housed in the new UNTAC headquarters, which is currently the Phnom Penh Government's Department of Fisheries, and before 1975 was the U.S. Embassy—the scene of a massive helicopter evacuation of foreigners as the Khmer Rouge invaded the city.

"The Phnom Penh authorities have assured us that a satisfactory level of repair and remodeling of the former American Embassy building can be completed by the end of March," Akashi said.

The decision put an end to a dispute between the Phnom Penh Government and the U.N. Advance Mission in Cambodia (UNAMIC).

UNAMIC head Ataul Karim had been looking for a site for the UNTAC headquarters and had found nothing satisfactory except a building constructed by the Vietnamese which the Phnom Penh Government refused to give over to the United Nations.

"It was really (Prince) Sihanouk pulling a rabbit out of a hat to solve a question which had been basically a bone of contention between UNAMIC and the (Phnom Penh Government) for some time," said British Ambassador David Burns.

UNAMIC is here to pave the way for UNTAC, which is due to arrive in April.

Majority View SNC as Sole Source of Power

BK2701084892 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 26 Jan 92

[Text] According to sources, at the meeting of the Supreme National Council [SNC] on 26 January 1992, many problems were discussed. However the major issue was the SNC's debate on whether the SNC is the sole source of power in Cambodia.

The majority view is that the SNC is the only source of power in Cambodia, fully in accordance with UN documents and fully in agreement with the documents of the Paris agreement. This is the view of the majority. However, some opinions hold that this is against the UN documents and the Paris agreement.

Observers say that this is a conflict between those who support the Paris agreement and those who are against it. This clearly shows up those who want Cambodia to be independent and peaceful and those who oppose Cambodia's independence and peace. The masses of people in Cambodia and the world know who is who.

Mat Ly Opens 22d National Assembly Session

BK2701103192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 27 Jan 92

[Text] There were unusual arrangements at the cabinet of the National Assembly this morning. The surrounding fences were decorated with national flags and colorful pennants. Inside the hall of the cabinet one could see many high-level party and government leaders of the State of Cambodia [SOC] as well as the heads of various institutions from the provinces and cities and members of the National Assembly representing the 20 constituencies throughout the country standing in groups and chatting cordially with one another.

Through the above activities and through the slogans on the banners hung over Lenin Boulevard it could be concluded that the gathering of the National Assembly members on 27 January was part of the meeting to open the 22d regular session of the First National Assembly held in order to examine, sum up, and assess the overall comprehensive situation during the period between the 21st and 22d sessions of the First National Assembly. In particular, special arrangments and decorations could also be seen inside the conference hall itself. Behind the seats of the presidium members a wide spread of red canvas was hung fast to the wall—within its center a large gold emblem of the National Assembly symbolizing the supreme organization of our SOC. Above the emblem was written in large letters "National Assembly" and below it "22d Session of the First Legislature."

Dear listeners: The presidium members arrived at 0800 sharp. Among them were Mr. Mat Ly, vice chairman of the National Assembly; Mr. Nu Beng, vice chairman of the National Assembly; Mr. Men Chhan, chairman of the National Assembly Economic, Planning, and Budgetary Commission; Mr. Chem Snguon, chairman of the National Assembly Legislative Commission; and Mr. Kham Len, chairman of the Nationalities Commission.

After the quorum had adopted the agenda of the session and elected three quorum secretaries, Mr. Mat Ly took the floor to read the speech opening the 22d session of the First National Assembly as follows:

[Begin Mat Ly recording] Dear national and foreign guests of honor, excellencies, ladies, gentlemen, and beloved compatriots: In the new, historically important stage of national reconciliation and implementation of the 23 October 1991 peace accord that will bring peace and happiness to our beloved motherland, today the National Assembly of our SOC begins the proceeding of its 22d session in order to examine, sum up, and assess the overall comprehensive situation of the country and, in its capacity as the supreme state organization, to give the direction for the state and social administration in 1992 and the following years.

As all of you know, excellencies, ladies, gentlemen, and compatriots, the return home of His Royal Highness [HRH] Prince Norodom Sihanouk and his royal consort constitutes a wonderful event that has generated an extremely satisfying and joyous atmosphere throughout the country, bringing forth a spirit of great solidarity and national unity and filling our hearts with firm hope and confidence in the brilliant future of our motherland. As the host, despite encountering so many difficulties, the SOC has displayed a high sense of responsibility in restoring peace in Cambodia, promoting national reconciliation, and ensuring democratic freedoms for the Cambodian people to exercise their right to self-determination through future free and fair elections.

At the same time, Cambodia's national honor and identity have been brought to new heights in the international arena. One after another, various countries have reestablished their diplomatic mission in Cambodia after a long period of severance. Many governments have already declared their readiness to make appropriate contributions to the reconstruction of Cambodia. With each passing day more and more foreign companies have come to invest in our country to help restore major fields of the national economy, such as agriculture, industry, trade, banking, service, and the exploration of minerals and other natural resources, enabling the rhythm of our socioeconomic development to enter a new turning point most favorable to the improvement of the living conditions of our people and to the promotion of skills and knowhow necessary for our future rural development.

It is true that because of the more than two decades of wars and the past catastrophe, our nation will still experience many diffculties in all fields and will need much time and considerable financial resources to catch up with neighboring countries in our region. However, despite such a predicament, now that they are finding themselves at the new juncture of national reconciliation with HRH Prince Norodom Sihanouk as the beacon to show the way and enjoying the support of the forces of great national union and unity and the assistance of the international community, our people are looking at the future with great optimism.

Excellencies, ladies, gentlemen, and beloved compatriots, the year 1991 marked the great efforts of our SOC Government and our people all over the country through the tests and trials of many complex and difficult struggles waged under the bloc of national union and unity first to overcome the consequences of natural disasters in the form of floods that caused damage to vast areas for agricultural production, especially more than 100,000 hectares of rice crops, and many houses and property of the people in several provinces; second, to bring success to the search for peace to the motherland and advance toward quickly ending the war while striving to achieve national reconciliation and preparing for the repatriation of Cambodian refugees; and third, following the signing of the 23 October 1991 Paris peace accord, as the host, to surmount all complex problems encountered in ensuring security and social order to enable all forces of all factions involved to come and work in the spirit of the accord. Despite some initial impediments, the Supreme National Council [SNC] has been able to hold one meeting after another in Phnom Penh and the UN Advance Military Mission in Cambodia—UNAMIC—is actively conducting its mission. All of that has created an atmosphere of optimism for the process of implementing the peace accord in Cambodia.

The success of the implementation of these three major tasks certainly cannot be separated from the sense of patriotism and sacrifice of our nation. At the same time, our people as a whole are extremely grateful to the entire international community for actively supporting their efforts.

The policy of national reconciliation initiated by the Cambodian People's Party, adopted by our National Assembly, and executed by our government since 1987 has brought about concrete results in the wake of the chronic war that had protracted for more than two decades and has opened up a new stage for national reconciliation. That constitutes a radiant outcome whose significance determines the future destiny of our motherland and which stems from the resolute common efforts of our people, including also the active contributions of the members of our National Assembly. It is our National Assembly that has given the government correct, sincere, and most persistent encouragement for the implementation of this policy. The fact that the economic, social, and cultural liberalization policy in the country has been undertaken simultaneously with the national reconciliation policy has led the masses of the people to unanimously and actively participate in the great national union for the reconstruction and defense of the motherland.

In the implementation of the 1991 socioeconomic plan, despite the difficulties emanating from natural factors and other objective causes, many fields have obtained good results. The important thing was that we managed to raise our work quality and effectiveness, which constitutes the key for the future development process. State and economic management has also made a new headway along with the liberalization policy of our SoC. The transfer of direct control from the state to the private sector in many fields has helped to accelerate the trade, service, and business activities and the circulation of goods, and has prevented many negative factors from rearing their heads. It is certainly obvious that through this new concept of economic control a number of new problems should emerge, problems that our state is examining and for which it is seeking a timely remedy.

This economic restructuring and foreign investment liberalization by our state has been conducted in synch with the promotion of freedom, human rights, and social order. Our state has focused utmost efforts to protect the (?personal) interests and present ownership of our people in all social strata. The rural development, the enhancement of the social values, and the advancement [words indistinct] of the state continue to be carried out. In short, we step into the year 1992 with confidence [passage indistinct] under favorable conditions to rebuild the nation and bring back progress, prosperity, and happiness, to end the bloody war, and usher in a period of peace.

We prefer to bring an end to the military field and concentrate all our potential and energy on the fight to rebuild the nation. This is a new important stage where the international community will provide our people with aid, assistance, and support. The political, economic, and financial blockade in all its forms is over. Every Cambodian citizen will do everything in the interest of the society and nation. We can say that we advance toward ending the military conflict in order to usher in an era of democratic political rivalry and unanimously open up a competition in rebuilding the nation in all fields through exhaustive and responsible preparations.

Our national reconciliation has helped to heal the wounds in the history of a nation with a glorious civilization in Southeast Asia. Now is the time that Cambodians must be reunited on the basis of placing the interests of the nation and people throughout the country above all else. The exercise of the Cambodian people's right to self-determination constitutes the best means to determine the state leadership in the future. In this sense, we are confident that the forces of UNTAC [UN Transitional Authority in Cambodia] will do their utmost to guarantee a neutral political ambience during the period of transition. In particular, we are confident that all parties to the Paris peace accord will each strive to implement the accord sincerely and with the greatest sense of responsibility in order to enable the SNC to function with best results.

In this sense, our present National Assembly session is dutybound to examine and discuss many issues that require from us the highest sense of responsibility and correct and enlightened solutions by thoroughly taking into consideration the circumstances, prevailing conditions, and tendencies of the times.

Originating from the above view, I urge all National Assembly members to expend all their intellectual efforts on and actively contribute to rendering our 22d National Assembly session successful in dealing with all issues in the agenda, esepcially in finding new keys and new solutions to enhance the effectiveness and quality of all aspects of our state and social administration so that it will conform with all the stipulations of the Paris accord.

While deeply thanking all national and foreign guests of honor for their honorable presence, excellencis, ladies, and gentlemen, I declare the 22d session of the First National Assembly open. [applause] [end recording]

After the opening speech, all National Assembly members attentively listened to the work report of the

Standing Committee of the National Assembly read by Miss Phlek Phirun, secretary general of the National Assembly; the proposal of the Standing Committee of the National Assembly on the extension of the First National Assembly's term; the explanation of the Legislative Commission by Mr. Chem Snguon; the explanation of the Cultural and Social Commission by Mrs. Som Kimsuor; the explanation of the Economic, Planning, and Budgetary Commission by Mr. Men Chhan; and the explanation of the Nationalities Commission by Mr. Kham Len.

This 22d session of the First National Assembly recessed at 1100 in an extremely cordial and friendly atmosphere.

KR Said Refusing To Cooperate With SNC

BK2701042692 Hong Kong AFP in English 0408 GMT 27 Jan 92

[Text] Phnom Penh, Jan 27 (AFP)—The Khmer Rouge [KR] have refused to sign a communique agreeing to stop fighting and abandon attempts to set up local versions of Cambodia's Supreme National Council (SNC), Phnom Pehn Foreign Minister Hor Namhong charged Monday.

Hor Namhong, who is also a member of the SNC, said the faction had agreed to the points at a meeting Sunday, but later refused to sign a communique outlining what was agreed.

"This is threatening the implementation of the Paris peace agreement" ending the 13-year civil war that was signed last year, he said.

"During past SNC meetings, the Khmer Rouge have said the war in Cambodia has not stopped and this is also a threat to the Paris peace accord," Hor Namhong said.

There was no immediate response from the Khmer Rouge, the former rulers of Cambodia before being ousted by Vietnam which set up the present government here in 1979, and the most powerful guerrilla faction in the resulting civil war.

Hor Namhong said Prince Norodom Sihanouk, acting as the neutral chairman of the SNC, declared that there will be no SNC groups at the provincial level and there will be no more fighting to extend territory.

"This was unanimously agreed by all SNC members," he said. "But at the end, the Khmer Rouge refused to let out this communique."

Hor Namhong said the Khmer Rouge have also asked that the United Nations verify the withdrawal of Vietnamese troops in order for the faction to cooperate with carrying out the rest of the peace plan.

The Khmer Rouge have always contested Vietnam's statements that it withdrew all its troops in 1989 and claim Hanoi's troops are still taking part in military actions, but the faction has never been able to prove its charges satisfactorily.

Son Sann Interviewed on Recent Developments

BK2601092392 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 25 Jan 92

[Interview with Son Sann, president of the Khmer People's National Liberation Front and member of the Supreme National Council, by unidentified station correspondent in Bangkok, Thailand on 22 January—recorded]

[Text] [Correspondent] I am from Voice of the Khmer [VOK] radio. I would like to interview Your Excellency Son Sann, president of the Khmer People's National Liberation Front [KPNLF] and member of the Cambodian Supreme National Council [SNC].

First of all, I would like to express profound thanks to Your Excellency President for taking time off from your busy schedule to talk to the clergy and our compatriots about various issues relating to the search for peace for Cambodia and national construction in the future.

First, I would like to ask Your Excellency about the recent release of political prisoners. What are your views on this?

[Son Sann] My thanks to VOK and to you for interviewing me today. The release of about 200 political detainees and resistance fighters in Phnom Penh was a fine result by His Royal Highness [HRH] Prince Norodom Sihanouk, SNC chairman, and an achievement of the International Committee of the Red Cross, Amnesty International, the representatives of the five major powers, and the chief of UNAMIC [UN Advance Mission in Cambodia]. We would like to congratulate and heartily thank the samdech [Sihanouk] and other personages for having freed the prisoners. I wish also to thank the Phnom Penh side, including Messrs. Hun Sen and Hor Namhong for the release of hundreds of prisoners. In my view, this is aimed at achieving national reunification.

However, from what I heard, many political detainees and those jailed for their resistance activities are still in prison, apart from those who have committed criminal offences. [Words indistinct] The Paris agreement has been signed in acceptance of a solution from the five major powers. I do not understand why those people are still in prison, without enough to eat, [words indistinct]. I ask compatriots in Phnom Penh to have sympathy for these detainees. Please solve this problem so that there is national unification.

[Correspondent] Thank you. Like all Cambodian people, I have heard Your Excellency appealing for national reunification. What are your views on this?

[Son Sann] In my opinion, the struggle we have waged for a dozen of years was a stage on which we fought to liberate our country. However, since we signed and accepted a solution worked out by the five major powers in Paris on 23 October, we entered a new phase, that of national reunification. If we do not have national reunification, we cannot be at peace. And if we are still in conflict, fighting will continue. This being the case, national reunification is necessary. This is to ensure that freedom, equality, and peace last in Cambodia so that the international community, the United Nations, and wealthy investors can assist in rebuilding our country. This will benefit our compatriots who have suffered since 1970 [words indistinct]. This unity is to avoid [words indistinct]. Therefore, there should be national reunifciation in order to solve the above problem.

[Correspondent] Thank you. What should be done to ensure lasting freedom?

[Son Sann] In my view, to ensure lasting freedom in Cambodia, first, there should be understanding among our compatriots. There should be mutual understanding among intellectuals, civil servants, and [words indistinct]. We have to meet and talk (?without delay) to understand one another. We should talk to one another and not use force again.

Second, we should take measures to gradually reduce the hardship of our compatriots who have suffered since 1970; that is more than 20 years. At the moment, compatriots in some areas still lack food, medicine, hospitals, basic hygiene, and clothing. In some other areas, even security is lacking. Our compatriots are aware of this. There have been reports of robbery and resumed fighting.

[Correspondent] Thank you. Why does robbery occur and fighting resume?

[Son Sann] Earlier, people in Kompong Cham reported that the Khmer Rouge side robbed them. Prince Norodom Sihanouk, SNC chairman, invited compatriots in Kompong Chhnang Province for a meeting at the royal palace. After discussions, the Khmer Rouge replied that they did not commit such acts against the Cambodian people. I do not want to take sides but I have to side with our people because they have suffered for years. So I wish to plead with the Khmer Rouge and other Cambodian parties to stop bullying the people. The latter have suffered for many years. We should help them and alleviate their suffering. From today onward, please stop robbing our people. Please do not make them suffer any more.

I recently heard that fighting resumed between the Khmer Rouge and the Phnom Penh side. The Red side accused the Phnom Penh side of being led by Vietnam. This is very serious. I call on UNAMIC, which is an international force now stationed in Phnom Penh, to carry out an appropriate investigation into this matter. Fighting has resumed despite the fact that we agreed to a cease-fire a few months ago. Accusations have been levelled by each side at the other. All of us in Cambodia should know who was responsible for this; whether this was among Cambodians or whether Vietnam was behind it.

[Correspondent] Thank you. As an economist, what do you think should be done to rebuild our country to prosperity?

[Son Sann] I would like to inform compatriots and answer your question. First, HRH Prince Norodm Sihanouk has started to ask for humanitarian aid to alleviate our compatriots' hardships and we have already received some food, clothing, and medicine. But this is not enough.

After receiving humanitarian aid, we should have aid for rebuilding our country for the benefit of the people in general, particularly those living in remote areas who have not benefitted from this aid. We should not build only at the top but should start from the bottom. We know that our compatriots lack food, water, electricity, basic hygiene, and medicine. If we want to rebuild the country, we should stop our quarrels and disputes.

I would like to cite Vietnam as an example. Regardless of our feelings toward Vietnam, we should note that Vietnam has for years been taking our resources—fertile land, fish, timber, rubber, antiques, and foodstuffs—which belong to our people. Vietnam is clever; it has begged for international aid. [Words indistinct] Vietnam is seeking ways to rebuild its economy. And what are we doing? We keep protesting. We do not yet have genuine understanding and do not yet have genuine national reconciliation, thus making those countries who want to help us hesitant. We are the ones delaying things. When the day comes that we agree to let these countries help us, they might not have the money. They have to help Russia, Africa, and Vietnam. As for us victims, we will be left behind. And then there might not be enough funds to help us.

Thus I ask my compatriots in the four parties to agree to let the prince SNC chairman ask for financial assistance to rebuild our country before those countries run out of money and become unable to help us as we wish. I therefore ask the four Cambodian parties to give the prince SNC chairman a free hand to make decisions on asking for assistance, which is necessary for us. If we keep fighting, as I have heard from Kompong Thom, I believe that the United Nations will not let us do this for long. If we keep fighting, one thing is sure: Our people will be the losers and they will continue to suffer.

Thus I beg our compatriots to think about this carefully. Stop fighting one another. Understand one another and be reunified. Let the prince SNC chairman and the SNC make decisions to quickly rebuild our country.

[Correspondent] Before ending, does Your Excellency have anything else to pass on to our compatriots?

[Son Sann] Clergy and compatriots along the border and inside Cambodia, please be informed. I remember the words of our celebrated king from the past, King Jayavarman VII, who said that he worried more about his subjects' suffering than his own. He said the suffering of the people is the suffering of the leaders. I would like to remind our compatriots that we are the leaders and administrators; we should be concerned about our people's suffering.

Therefore, I beg all compatriots on whatever side to think of our people and their suffering and consider this greater than our desire for power and promoting our personal interest. Please give up all of this for the benefit of our people. I pray, and I ask the clergy to also pray, that all our leaders know their duties the way King Jayavaraman VII taught us. I beg to take leave of you now.

[Correspondent] Thank you. On behalf of VOK and our Cambodian compatriots, I would like to once again thank Your Excellency Son Sann, KPNLF president and SNC member, for elaborating on the search for peace and security for the nation and our compatriots.

[Son Sann] Thank you VOK.

Soldiers Ordered To Move From Occupied Land 26 Jan

BK2701100392 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 27 Jan 92

[Text] The State of Cambodia yesterday [26 January] ordered 300 soldiers to move out of a plot of land in Phnom Penh's suburb. The soldiers have accused the government of selling this land to Thai businessmen and vowed to defend this land to their death. These troops have not been paid and are worried about their future after peace comes to Cambodia. The plot of land is the size of two football fields. For two weeks the soldiers have been building their huts. Sporadic fighting took place when the military police of the State of Cambodia tried to clear the land. The military police say that this land already has ownership. The soldiers occupying the land are armed with AK-47 rifles. They are trying to defend it.

So far, there has been no loss of life yet on either side. Similar problems are also occurring at other places near Phnom Penh.

Philippines

U.S. Ex-Serviceman Missing, Feared Kidnapped

HK2701025792 Quezon City MALAYA in English 26 Jan 92 pp 1, 6

[By Joel Dizon, Nida Mendoza, and Noel Bartolome]

[Text] A retired U.S. Navy serviceman has been reported missing and is feared kidnapped in Baguio City, police said yesterday.

Police said Robert Blake, 44, a native of Washington, was reported missing by his Filipina wife Emelinda when he failed to return home from Burnham Park where he jogs every morning.

He was last seen on Lake Drive with the houseboy, Loreto Sangalang, of Pilar, Pozzorubio, Pangasinan.

The Blakes live in a suite at the Cypress Inn on Abanao St.

Emelinda said her husband had received several kidnapping threats. She told police Sangalang may have a hand in her husband's disappearance. Blake receives a monthly pension and disability benefit of $3,683.

Senior Inspector Efren Valeriano of the Criminal Investigation and Security Group said police have not ruled out the possibility that Blake's disappearance may be linked to the kidnapping on Jan. 27 of American executive Michael Barnes, vice president of the Philippine Geothermal Inc. [PGI] and the American Chamber [Amcham] of Commerce in Makati.

Amcham said U.S. businessmen are not pulling out their investments despite the kidnapping. It said the chamber is assisting American businessmen scout for areas to invest in.

Robert Sears, Amcham executive director, said, however, an early and positive resolution of the Barnes case will enhance the confidence of Americans in the Philippines.

He said Amcham and other groups are not discouraging tourists from visiting the Philippines.

"Tourists along with others will make their own evaluation of the potential danger," he said.

Police have not scored any breakthrough in their investigation although they said they were working on two new leads. No group has claimed responsibility for the abduction although reports said kidnappers have demanded a $20-million ransom.

An interagency task force composed of agents from the Philippine National Police [PNP] and National Bureau of Investigation [NBI] said the kidnappers could be communist rebels, rebel soldiers or members of ordinary criminal gangs.

New People's Army [NPA] rebels operating in Southern Tagalog were initially tagged as the abductors. They reportedly sent to the PGI office in Laguna on the day of the kidnapping a letter demanding livelihood and water supply projects.

Leopoldo Mabilangan alias Ka [Comrade] Hector, head of the NPA Melito Glor Command which operates in Southern Luzon, denied involvement.

A Manila policeman, PO1 [Police Officer 1] Eduardo A. Manial policeman, surrendered to the NBI after his Isuzu car was impounded by HPG [Highway Patrol

Group] agents following reports that it was used by kidnappers as a backup vehicle. The NBI said it was a case of mistaken identity.

Police Capt. Emmanuel Pineda, alleged leader of a 15-man kidnap-for-ransom gang, also surrendered to the Central Police District Command but denied participation in the Barnes' kidnapping. Four other members of the gang were earlier arrested by CISC [Criminal Investigation Service Command] agents.

Probers said Pineda, however, admitted involvement in the kidnapping of several rich Chinese and robberies in Metro Manila.

Joining the manhunt for the perpetrators are about 100 policemen from the Criminal Investigation Service Command, Highway Patrol Group and other PNP units aside from crack NBI agents.

Three Federal Bureau of Investigation agents are in town to assist the technical analysis of evidence.

Also in town to negotiate Barnes' release is Briton Hugh Lohan, a security consultant of the Los Angeles-based Unocal Corp. of which PGI is a subsidiary.

Probers said Barnes could still be in Metro Manila. But the suspect's vehicle, a silver gray Mitsubishi Pajero, was recovered last Monday in a sugarcane field in Bacolor, Pampanga.

Fingerprint samples have been lifted from the Pajero and sent to the U.S. for analysis. Several strands of blond hair believed to be from Barnes are with the PNP crime laboratory.

President Aquino Announces Ramos Endorsement

HK2501040492 Quezon City Radyo ng Bayan in Tagalog 0202 GMT 25 Jan 92

[Speech by President Corazon Aquino during her 59th birthday party held at the Heroes Hall, Malacanang Palace, Manila—live; italicized passages in English]

[Excerpts] First, I want to thank all of you for joining me on my birthday. I was impressed with Archbishop Reyes' homily. This is the first time I was ever called a saint or one who will acquire perfect wisdom. This is why I now agree to think that I am 60 years old instead of 59. [applause]

In Archbishop Reyes' homily about the death of a person and in obituaries that we read, many good things are said about the dead; however, these should be said while the person is still alive. I am thankful that I am now able to hear these good things about myself.

I know that several of you did not come here just to greet me on my birthday, but you want to hear some news from me. Actually, many others have already announced before me what I am going to tell you today. But let me give you the reasons for my decision.

During the past days, weeks, and you can even say months, I was relentless in consulting with the various sectors of our country. I talked with the politicians, the people's organizations, the priests, the nuns, my relatives, and those with whom I work in the government. I told them that when I reach my decision, there will only be one reason for it. Do you know what that is? This is when I believe that this is the best solution. I will do this regardless of how difficult it is.

Many told me: Cory, it seems this is giving you a really hard time. Why do you have to endorse someone? Why can you not just keep quiet and let things go?

Others tell me: You are the only president who is endorsing a candidate. My reply was: That is true because I am the only president who is not seeking reelection. *I am the first president who is not seeking reelection.* [applause]

Last night, *I had one final meeting with some political leaders.* They were the first to tell me whom I should endorse or whom I should chose. They told me: You know, Mrs. President, it would be easier for you to choose this candidate because this one already has an organization. Everything has been prepared and your endorsement will help and will ensure the victory we all seek. That could be true. But this is not the basis of my decision. My basis is this: Do I firmly believe this is the best thing I can do, or do I believe this is for the good of the citizenry? [passage omitted]

And we were able to restore democracy. Our dreams did not all come true; but I can say.... [Aquino changes thought] And please let me be boastful today since it is my birthday. [laughter] Some people were then saying: *In six months she will be booted out of office. They were giving me six months. After that, they were giving me two years.* Fortunately, *on 25 February, I will have been six years in office. [applause] And, God willing, I will hand over, in a very peaceful and orderly manner on June 30 at 1200 noon [0400 GMT], the reigns of government to my successor.* [applause]

We have restored democracy, but developments must go along with this democracy to maintain it in our country. During my term as president, I have seen that when politicians and leaders of various people's organizations unite, the government programs and projects became more successful.

Last night, I told the congressmen, governors, and mayors not to think that I do not trust them. I am also a politician. I have trust in those serving not only the executive branch but also those in Congress and the members of the judiciary. However, I told them we need to give more authority or let us help our brothers who are not members of political parties but are members of cooperatives, people's organizations, and the nongovernmental organizations [NGO's]. Let us continue to assist them by giving them access to government resources.

I also talked to the leaders of the NGO's and people's organizations and told them now is the time to recognize the importance of the political parties; they should accept the need to strengthen these political parties and at the same time the people's organizations. I am hoping to see that time when the political parties *will have the NGO's as part of the political party and the NGO's, hopefully, will also want to affiliate with political parties.* I think this is the only way by which our country can grow and further expedite the implementation of our projects and programs, which we are dedicating to our poor brothers. I am not saying that one group excels and the other is bad. I said last night that *in every organization, there are the outstanding members and there are also the undesirable elements.* But what is needed is to recognize the importance of one another. We should recognize that we are all Filipinos who should not be divided but united and should be helping each other.

I have already said that after my term as president, I will help the NGO's. But I will not become a member of the NGO's. *I see myself as being a liaison between the political parties and the people's organizations. I see myself as the means to convey to both sides the concerns and the recommendations coming from each side.* This is why I am hoping that the next administration will bear the same belief—that there is a need to strengthen the Kabisig [Partnerhip]—the cooperation between the government and people's organizations.

The three presidential candidates with whom I talked were all my friends. I have no criticism against them. *I have told a number of people before because I felt that some of our people were becoming too demanding or too exacting. And I was telling them:* We are not being called upon to elect a saint. What is asked of us is to elect a president. The saint, after becoming the president, may actually become a saint. [applause] This is what you should remember. The person I am going to choose, like all of us here, is not perfect. Like all of us here, he values democracy and like all of us here, he is hoping that the time will come when the Filipino people will be finally united.

I will read what my lawyers have prepared for me because I do not want to violate any existing Comelec [Commission on Elections] regulations.

Today, I would like to end all speculations about the person I believe can best lead our country when my term ends. I prayed hard, listened to friends and political allies, and reflected deeply on the aspirations of our people, as well as in our achievements in restoring democracy and empowering our people. My choice springs not from personal whim but from the conviction that the next leader must preserve these gains and continue to uphold the Constitution and the rule of law, while pursuing our programs for the social and economic advancement of the Filipino people. As I announce my choice, I continue to exhort the re-empowered citizenry to move forward together towards progress, prosperity, and peace. Secretary Eddie Ramos, I am confident [applause]... Secretary Eddie Ramos, I am confident, will fearlessly pursue the vision of this democratic society that our people have fought hard to re-establish. I will support Eddie in his pursuit of this goal. Thank you very much. I love you all.

Vietnam

Relations Established With Ukraine

BK2401155092 Hanoi VNA in English 1539 GMT 24 Jan 92

[Text] Hanoi VNA Jan.24—A protocol on the establishment of diplomatic relations between Vietnam and the Republic of Ukraine was signed yesterday during the visit of Vietnamese Vice Foreign Minister Nguyen Dy Nien to Ukraine.

A communique on this event said that the two sides have agreed to exchange representatives at ambassadorial level.

Deputy Minister Reviews Premier's Malaysia Visit

BK2401154792 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 24 Jan 92

[Report on 24 January "interview by reporters of various press organs with Deputy Foreign Minister Vu Khoan on Council of Ministers Chairman Vo Van Kiet's recent official visit to Malaysia"—read by announcer]

[Text] After Council of Ministers Chairman Vo Van Kiet had concluded his official friendship visit to Malaysia, Deputy Foreign Minister Vu Khoan, a member of his delegation, was interviewed by the reporters of certain press organs.

Asked about the results of this visit, Comrade Vu Khoan said: This visit produced very good results. The leaders and people of Malaysia gave the chairman a very grand and sincere welcome. Both sides strongly agreed on the policy to open up a new era of friendly and cooperative bilateral relations.

Politically, both sides agreed to intensify their contacts at all levels and between various sectors and circles aimed at enhacing their mutual understanding. In the period ahead, there will be a visit to Vietnam of His Excellency Premier Mahathir—the first visit to Vietnam of the head of the Malaysian Government. The two foreign ministries will also hold regular exchanges of views.

Economically, the concern of the [Malaysian] Government and businessmen was very great. In a dialogue between the Vietnamese delegation and Malaysian businessmen, some 10,000 people were in attendance. They raised many questions. With satisfaction, both sides reviewed the successful implementation of those agreements reached by Comrade Vo Van Kiet in his previous visit to Malaysia on cooperation in the fields of oil and gas, the cultivation and processing of industrial crops, the exploitation of mineral ores, civil aviation, and personnel training. They also agreed on various steps to be taken to further intensify their mutually beneficial cooperation. Both sides also exchanged views on the prospects for cooperation in the financial and banking domains, with the setting up of a joint banking venture and the training of personnel. On this occasion, both sides exchanged views on the setting up of a joint committee on cooperation, signed an agreement on investment protection and promotion, agreed to quickly finalize an agreement on maritime and postal services, and held talks over an agreement on the avoidance of double taxation.

Malaysian friends were ready to give technical aid to Vietnam for personnel training. Cultural and educational sectors of the two countries also agreed on various steps to be taken to establish mutual relations. Especially on this occasion, a Vietnamese art troupe also gave a performance in Malaysia and was highly welcomed by the Malaysian audience.

In response to a question regarding the views of both sides over regional cooperation, Comrade Vu Khoan said:

Both sides shared the view that today we have more favorable conditions for regional cooperation. They supported the trend toward peace, friendship, and regional cooperation for the sake of development.

Malaysian friends totally supported Vietnam's intention to sign the Bali Treaty of Amity and Cooperation and to join a system of dialogue with ASEAN. We also expressed our understanding and sympathy with the initiative for a East Asian Economic Forum following an explanation given by Malaysian friends that this forum is not a close-knit trade bloc but rather a forum aimed at exchanging views and developing measures to promote cooperation.

Concerning the question of Vietnamese boat people in Malaysia, and the Spratly issue as well as the overlapping sea areas between the two countries, Comrade Vu Khoan said:

Regarding Vietnamese boat people in Malaysia, both sides expressed their understanding and favored efforts to encourage voluntary repatriation of these people and to call on other countries to allow their resettlement. At the same time, both sides also agreed to seek ways to resolve residual cases in a humanitarian spirit.

With regard to the Spratly issue, both sides agreed that they would refrain from doing anything that would complicate the situation, and when conditions permit, they would settle this issue through negotiation. Vietnam adopts a similar goodwill attitude toward its relations with other relevant countries, although Vietnam has consistently asserted its sovereignty over the Spratlys.

The two sides agreed to arrange an early meeting of experts to clarify the overlapping sea areas due to different ways of identifying territorial seas, so as to redefine the boundaries and discuss ways to conduct joint exploration and exploitation activities. This issue concerns Vietnam and Malaysia only.

Deputy Foreign Minister Vu Khoan believes that the results of the visit will create a new momentum for stepping up the friendly and cooperative relations in the interest of the two peoples, as well as of regional cooperation. This conforms to our policy to broaden our relations with all countries, especially neighboring countries, for the sake of peace and cooperation.

Cash Flow Said 'Tight' in Hanoi, Localities

BK2701091992 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 17 Jan 92

[Report by Tran Dinh Thao and Quang Huong]

[Summary] "Since mid-October 1991, the cash flow situation in Hanoi and a number of localities has become tight, thus greatly affecting work of the Treasury, especially its payments to cadres, workers, state personnel, members of the armed forces, and persons entitled to social welfare allowances as well as other expenditures to meet social requirements for the upcoming Lunar New Year.

"It can be said, however, that during the year-end period, cash kept by the people themselves was abundant. In December 1991, the Ministry of Finance issued a series of state promissory notes for sale to the people in three major municipalities; namely Hanoi, Ho Chi Minh City, and Haiphong. Through this selling the ministry collected more than 64 billion dong worth of promissory notes; the Hanoi Treasury alone collected more than 28 billion dong. In January 1992, the Vietnam Industrial and Trade Bank launched a drive to sell promissory notes in eight northern provinces and collected 45 billion dong in the first nine days; Hanoi alone collected more than 22 billion dong in less than 10 days."

These figures show that the volume of cash kept by the people is immense. Agencies concerned estimated that about 1,000 billion dong in cash were kept by the Hanoi people.

In our working session with Miss Ho Thi Ngoc Xuan, director of the Hanoi Treasury, we were told that Hanoi had a cash surplus for many months in 1991, and that the tight money situation began in the fourth quarter. What are the main causes of this tight money situation in Hanoi? First, we may say that it was the impetuous withdrawal of matured and unmatured fixed deposits by the people to buy promissory notes. As a result, the Hanoi bank, in a certain period, paid out from hundreds of million to a billion dong daily to these withdrawals. In mid-January, about three to four billion dong were paid out each day.

"The second important cause leading to the tight money situation in many provinces and Hanoi municipality was that many production and business estabishments did not abide by the regulations on transferring cash to the bank. In a survey conducted in late December 1991, it was found that many of the 5,000 economic units and organizations at key places in 43 provinces have violated laws and regulations in cash management, and that a large volume of cash was circulated outside the banking system. Almost all economic units and organizations have kept the money obtained from their production and business beyond the permissible amount or exceeding their needs for normal use. Many other units, although they have accounts at the bank or the Treasury, still settled or demanded payments in cash. The direct use of cash not inconsistent with agreements reached with the bank is still prevailing, while efforts are being made by many economic units and organizations to obtain commission through cash payments, through the leasing of property for mortgage at the bank, and through transferring large amounts of cash to the provinces."

To relieve the tight money situation, the Hanoi municipality authorities have issued a directive urging echelons, sectors, and economic units and organizations in the capital city to transfer their cash to the state bank and to keep with them the amount agreed upon with the bank. Violation of this directive will result in the confiscation of the cash in surplus.

We think that right at the beginning of 1992, the state should formulate regulations on the settlement of payments without using cash, while settlement of debts between economic units and the bank should be adjusted to ensure a smooth flow of cash. Efforts should also be made to improve the collection of state revenues and to encourage the people to use their cash in hand to buy more government bonds, thereby helping to relieve the tight money situation and contributing to stabilizing the market prices during the upcoming Lunar New Year festival.

Do Muoi Discusses Agricultural Economy

BK2701074992 Hanoi VNA in English 0625 GMT 27 Jan 92

[Text] Hanoi VNA Jan. 27—Party General Secretary Do Muoi has encouraged farmers to invest more money and manforce in developing household economy, saying that this is a important economic sector in Vietnam's countryside at present.

Addressing the recent congress of the party organisation of the northern mountain province of Tuyen Quang, Do Muoi said Tuyen Quang is endowed with favourable conditions to produce materials for centrally-run industries, notably paper, tea, and minerals, besides, the province can produce materials for other industries. To further boost agricultural and forestry production, he continued, it is necessary to develop industrial and commercial operations, especially those of centrally-run establishments. These establishments must have close contacts with cooperatives and farmers, sign direct contracts with them, and provide them with services such as granting credits, technology and meterials, seeking domestic and foreign markets for their products, etc. The cooperative economy must be strengthened while household economy also plays an important role. There are many types of household economy which can be practised by workers of state run agricultural farms and logging centres, cooperative members and private farmers. Each type needs specific and suitable policies and measures.

Do Muoi noted that in many localities, farmers are actively engaged in gardening in hilly areas, afforesting, restoring and developing the tea plots they hire from the cooperatives under the contract quota system. They are actively applying biotechnology to improve plant productivity and quality. All that shows that household economy conforms to the current conditions of the countryside in general and of the northern mountain regions in particular. To develop household economy is an effective way to link labour with land, and to bring into full play the farmers' initiative and creativeness, the general secretary stressed.

Doan Khue Article on Army's Defense of Socialism

BK2501153992 Hanoi TAP CHI QUOC PHONG TOAN DAN in Vietnamese Dec 91 pp 3-10

[Article by General Doan Khue, member of the Communist Party of Vietnam Political Bureau and minister of national defense: "The People's Army, Which Is a Sharp Political Tool of the Socialist State and the Communist Party, Should Firmly Defend the Fatherland and Socialism"]

[Text] This year, we commemorate the founding anniversary of the Vietnam People's Army [VPA] and the National Resistance Day at a time when the international situation is changing in a very complex manner, thus negatively affecting our nation's revolution. Chiming in with the reactionary allegations against socialism and the Communist Party, opportunist elements are spinning out a very dangerous allegation on the role, nature, and function of the army. They have alleged that the army has no class nature; that generally speaking the army belongs to the state and its function is merely to fight against foreign aggressors; that the army is neutral in the internal struggle and it sides with no one faction; and that for the army any regime is acceptable to it, and so forth.

However, reality has completely rejected this allegation.

Indeed, only by observing realities in countries that have recently experienced upheavals, by finding out where this misleading allegation comes from, and by monitoring the activities of those who support the idea, will we be able to see that it is a deceitful allegation. In these countries, they advocate a policy of "depoliticizing" the army in order to conceal a scheme aimed at corrupting the army politically or to shift the army from one political trend to another. Their allegation is aimed at "neutralizing" the army in order to make the revolutionary army inactive and to gradually use that army to serve the interests of the forces fighting against socialism. The fact that efforts are being made to establish a new military force to defend the so-called "new regime" in some states is an affirmation that the army and the regime in power must invariably function under the same system.

The VPA's history, its achievements, and maturity during the past 47 years have testified to the fact that the army is always the sharp, political tool of our revolutionary state, people, and our Communist Party. The party has led our people to victory in the revolutionary struggle; therefore, the army is also the sharp political tool of our nation and our working class. According to Marxist-Leninist concept and Ho Chi Minh's thought, a progressive nation and a progressive class cannot be separated from one another. Only the progressive class can represent the interests of the entire people and become the leadership class of the nation and state. The army that comes from, fights for, and builds itself under the leadership of a certain class will undoubtedly bear the stamp of that class and will serve the state of the same class. A country which is led by the working class to carry out the socialist revolution must be a socialist one, and the army of that country must be the political tool of a socialist state and the Communist Party; as a result, it is also the tool of the nation and the people. On the contrary, in a country where the political system has changed its nature and the state no longer serves the interests of the people, then the army of that nation exists no more or is unable to serve the true interests of the nation and the people.

In Vietnam, since the 1930's our people, stemming from the reality of their own struggle for national liberation, have spontaneously accepted the leadership role of the working class with the Communist Party of Vietnam as its vanguard unit, and have taken the party line so as to carry out the people's democratic national revolution in order to advance toward the socialist revolution. This path is the replacement for all the erroneous, unfruitful lines taken by the national movements in the previous period.

With this line, the Vietnamese nation extricated itself from the deadlock of the century-long struggle and then successively staged various high revolutionary tides to win glorious victories and establish the people's democratic state, that is, the present socialist state. This line also molded the founding of our army, which from the beginning has assumed a working class character. With such a character, our army really belongs to the people and always struggles for the revolutionary goals of the working class, the laboring people, and the nation. Formerly, the goals were to defeat imperialists and feudalists and bring about independence for the nation and land and ricefields for peasants. Now, they are to build socialism and defend the socialist fatherland. The army was formerly a tool of the people's democratic state. It is now a tool of the socialist state. In all revolutionary stages, our army always remains a sharp and reliable tool of the Communist Party of Vietnam.

Owing to its struggle for the revolutionary objectives relevant to the epochal law and the requirement for the development of the revolution in our country, owing to its success in building the working class nature and its attachment to the revolutionary state, and owing to the leadership of a genuine revolutionary party, our army—wholeheartedly supported and assisted by the people, who have coordinated their action with our troops to score glorious armed exploits, from the 1945 August general uprising, through the two marvelous liberation wars to the two wars to defend the sacred homeland and fulfill the noble international obligations—has been closely involved with the goal of building the glorious revolutionary traditions and bringing about great victories for our people in the new era of the nation.

The revolution in our country, which has lasted through several decades of struggle and victory under the party's leadership, has demonstrated the value of the heroic Vietnamese people, who have inherited and developed the traditions of an heroic nation. Our troops were forged steadily in this revolutionary struggle. The experiences and traditions of our people and troops were formed with blood, and are still fresh in the eyes of the present generations. As a result, there is no ground among our people and troops for the deceitful arguments of "depoliticizing" and "neutralizing" to prevail. If there ever is a certain disorientation among some people, it becomes isolated immediately and is rapidly destroyed. However, faced with an offensive by the "peaceful evolution" of hostile forces, the brazen, subtle and cruel psychological warfare maneuvers, and the economic difficulties in life, we must uphold vigilance, consolidate and raise even higher the people's political awareness, and constantly enhance the working class character of the army so that our troops can have steadfast, political ability and merit being a sharp tool of the people, the party, the socialist state, and the Vietnamese nation as a whole, under all complex circumstances that may arise in our country as well as in the world.

As a sharp political tool of the nation and the working class, the socialist state, and the Communist Party, our army is now charged with the duties to defeat all sabotage plots and wars of aggression; to defend the independence, sovereigny, and integrity of the homeland's territory, seas and air space; to protect the socialist regime, the party, the state, the mass organizations, and the people; to participate in economic building; and to perform other tasks as assigned by the party, the state, and the people. This is the concretization of the revolutionary tasks decided by the Seventh Communist Party Congress in its platform and its revolutionary strategy in keeping with the unanimous agreement and views of all party members, people, and troops. These tasks reflect the fundamental function of the people's army, which is fighting, working, and engaging in production under new conditions. The fundamental function of our army is to fight and accomplish the political objectives of the revolution. In the revolutionary war, it is a duty to defeat the enemy on all battlefields. Our troops have fulfilled this duty gloriously over the past few decades and are ready to fulfill it again under any circumstances in the current revolutionary struggle. In the struggle to firmly maintain and consolidate peace, defend and build the homeland, and to build socialism, our army must defeat the strategy of comprehensive sabotage by imperialism and other reactionary forces which are aiming to wipe out the revolutionary gains of our people, and to thwart our effort to build socialism and defend our homeland.

To fulfill its function and combat duty on the battlefield as well as in other struggles, our army must consistently understand the enemy's schemes and tactics. At present, our enemies are launching the "peaceful evolution" scheme to undermine us from the inside politically, economically, culturally, and ideologically, while carrying out the "military deterrence" tactic and are preparing to wage a war of aggression when the opportunity arises. They have resorted to such measures as economic blockade, creating social disturbances to exert pressure, spreading decadent culture and encouraging a debauched lifestyle, waging psychological warfare, depraving the people's thinking especially among the youth, creating a counterrevolutionary tendency, getting in touch with reactionary and opportunistic elements as well as degenerate persons, and creating factors for rebellion from within including the political, ideological, economic, cultural, human, and organizational factors. They also fan up demands for democracy, political pluralism, and a multiparty system by taking advantage of loopholes in our efforts to overcome shortcomings and mistakes, to expand economic components, and to eliminate bureaucratism, authoritarianism, and corruption.

The enemies are trying to undermine the key elements of the socialist revolution, which include the proletarian dictatorship and the Communist Party, with an aim of making the party degenerate, inactive, or disintegrated. If we fail to firmly grasp the most fundamental issue of the revolution, which is the administration issue; if we fail to maintain the party leadership role when facing difficulties; if we fail to resolutely correct our mistakes and shortcomings; and if we still cling to conservatism and continue to make mistakes in our principle and organization and let the opportunistic elements infiltrate our leading command organs, then the enemies will take the advantage and incite the people to create political unrest while setting up unarmed or armed "movements" of different sizes to create political chaos in order to seize administrative power. These are the various aggressive tactics of imperialism which are being consistently carried out every day. As a result, we must seriously and consistently struggle against the war of aggression and should not wait until it actually happens. If we fail to foil the enemy's "peaceful evolution" scheme, then in a time of peace we may still lose our party leadership and our administation, as recently experienced by several countries. When we lose our party leadership and our administration, we will lose our system and even our nation, thus falling into the orbit of neocolonialism in one form or another.

The allegation that "we may lose our administration but not our country" is merely a paradoxical, reactionary, and illogical allegation. Our country is a former colony and is suffering from the consequences of the development of imperialist capitalism and the submission to imperialism by reactionary forces in the country. In Vietnam, at times, there were people who sided with feudalism or relied on one imperialist to fight another imperialist with the aim of achieving national liberation, but they all failed. Not until after we followed the proletarian revolutionary path did our people's national liberation cause meet with success and victory.

That proletarian revolutionary line was patterned after the very line of the people's democratic revolution based on the socialist orientations from the outset. Those orientations have stirred up our people's unwillingness to be submissive, making them strong enough to defeat powerful enemies, complete the people's democratic revolution, and embark on the socialist revolution. The socialist construction has recorded great achievements but has also displayed errors and shortcomings that we are aware of and are trying to rectify. As a result, we have scored very important initial results. None of us wants to lose the revolutionary gains that our people have scored after several decades of sacrifices in terms of blood and bones. We all know that if we lose socialism, we will lose both our revolutionary gains and revolutionary strength and our country will be at the mercy of counterrevolutionary forces. As far as the counterrevolutionary forces in our country are concerned, everybody knows that they consist of those country sellers who invited the imperialists to our country and served as their henchmen and that some of them even served as henchmen of the imperialist, colonialist, and fascist cliques. At present, with the imperialists' support, some of them are clamorously calling for the overthrow of the CPV and the socialist regime in Vietnam. It is impossible for our people to "compromise" with them or allow them to realize their dark schemes.

Based on that fact and on the law of history, the seventh party congress concluded and affirmed that "national independence is a prerequisite to the realization of socialism while socialism itself is a firm basis for the defense of national independence. Building socialism and defending the fatherland remain the two strategic tasks that are organically interrelated."

Also, through realities in our country as well as in many other countries, we can see clearly that one of the most important tasks for our entire party, people, and army at present is to resolutely frustrate the strategy of "peaceful evolution" of the imperialist and reactionary forces. That is the task of using other means to foil the trick of imperialist aggression which must be undertaken by our entire people, in which we must combine political work closely with military and economic activities, and national defense closely with security. The most important thing is to safeguard the line, ideology, and organization of the Communist Party and persist in the socialist policy of renovation as well as in Marxism-Leninism and Ho Chi Minh thought. We must not allow our policy of renovation to be affected by sluggishness, conservatism, or to stray from its principles. We must also not allow opportunistic thinking to intervene in our revolutionary line, or opportunists to penetrate into our revolutionary organization. On that basis, we must step up the tasks of making our people prosperous and our country powerful while creating basic potentialities for national defense. Satisfactorily carrying out these tasks means safeguarding the party, the administration, the people, the socialist regime, and the fatherland. Satisfactorily carrying out these tasks also means realistically making preparations for defeating a war of aggression on any scale.

The new tasks require that our army be endowed with a new fighting strength and a new aggregate strength so that, together with the entire people and under the party's leadership, it can defeat the enemy in the complex, difficult, and arduous "political struggle," while effectively serving as the core for the entire people to stand ready for the defense of the fatherland when a war of aggression arises. That is the strength of firm political competency, of superior military art, and of a standardized and increasingly modern revolutionary army—an army that is well-trained politically and militarily, endowed with a great fighting strength, and capable of defeating the enemy under all circumstances. We must thoroughly understand the party's spirit of renovation in order to apply it to the task of building up the army. We must proceed from the policy of renovation in the socialist revolution, as well as in the national defense strategy and development of military tasks, to the improvement of our army's aggregate fighting strength.

Using the task of building up the army politically as the basis for development in various aspects is a principle of building up the people's army, which was defined by our party and President Ho Chi Minh since the birth of our army and has been profoundly understood throughout the process of our army's development and combat. That principle, which is consistent with the actual requirements of the revolutionary struggle at present, has emphatically been pointed out by the Political Bureau and has always come under the close guidance of the party Central Committee Military Commission. The center of the task of building up the people's army politically is to make it strong and pure; capable of struggling persistently and assuming leadership in all aspects, especially in political work; worthy of being the core of solidarity; and capable of directing all units under all circumstances. In building up the army, it is strictly necessary for army party organizations to develop the contingent of party cadres in the army, especially political and commanding cadres, while paying special attention to improving the political ability of all the other cadres. It is also necesary to ensure that all of them are unquestionably loyal to the country and people; fully qualified; and capable of guiding, managing, and commanding all units and fulfilling all assignments.

We must thoroughly understand the principle of building up the army politically in the entire process of developing the members and organization of our army. Cadres, combatants, and national defense personnel must be carefully selected right from the beginning and in accordance with political and other criteria. They must also be furnished with political and ideological education on a regular basis and well-trained in revolutionary struggle and construction and combat activities. Political and theoretical education must be renovated on the basis of thoroughly understanding our party's socialist policy of renovation, intensifying theoretical research work, and reviewing practical experiences. We must ensure that the entire army achieves a high degree of unanimity and is determined to successfully implement the platform, line, and strategy laid down by the seventh party congress; persists in the socialist way; persists in and creatively applies Marxism-Leninism and Ho Chi Minh thought; firmly maintains the leading role of the Communist Party; firmly grasps the characteristics of the period of transition to socialism bypassing the capitalist system in our country; and firmly grasps the basic guidelines for building socialism with those characteristics. We must not harbor any illusion or vague idea about the capitalist way, the social democratic way, or any other way. We must also reject political pluralism, multiparty and opposition party systems, and democracy without leadership.

Especially, we should be thoroughly aware of the spirit of independence, sovereignty, and self-sufficiency in all aspects of army building. This well-conceived idea presented at our seventh party congress reflects our determination and iron-like confidence in and our thorough understanding of Marxism-Leninism and Ho Chi Minh thought, our creative application of the concepts about dialectical and historical materialism, as well as our efforts to develop our nation's indomitable tradition and our people's revolutionary tradition, to exploit all our country's latent potential, and to combine the strength of our nation with that of the era amid a new world situation.

It is imperative to intensify political activities in all military units, trying to make them thoroughly aware of those ideological viewpoints of the party, those concepts about war and all-people national defense, as well as other practical concepts. We should ensure that our regular army is adequately staffed and is of high quality, and that our reserve force is large in number and capable in training. We should satisfactorily comply with the policy to base our military training on our combat tactics. Training should be given to selected persons in accordance with political and military requirements arising from the new stage. We should devise effective methods to coordinate our forces and should properly and promptly avert and deal with riots. We should build up our combative strength and be ready to fulfill our duty as a backbone for the people's war, and to defeat all enemies should they dare to wage a war of aggression against us. In the war for national defense, we should continue to develop and foster our combat experiences and traditions, taking into account those experiences learned from the Gulf war as well as from various wars in other areas. We should foresee the possibility of any forthcoming military and political developments in the world. Our armed forces' organization and equipment should agree with our country's economic and industrial capabilities in the gradual advance toward modernization and in accordance with the spirit of self-sufficiency. We should maintain and use in a most satisfactory manner our existing equipment and should master those weapons and technologies which we now have and will have. We should manage our troops in a democratic and close manner and should enforce self-imposed yet strict military discipline. We should fight against all bureaucratic and arbitrary acts and other acts that violate human dignity. At the same time, we should intensify political activities among the armed forces' economic construction units. We should ensure that the armed forces comply with the economic lines of the party and all the economic laws and regulations of the state. While engaging in economic construction, we should strive to attain both economic and political results, and should not seek illegal profits. We should ensure that adequate and timely logistic supplies are delivered into the hands of cadres and soldiers. Although our logistic supplies are still poor, they reflect the wholehearted care given by the party, the state, and the people for troops. We should be fully aware of the idea of practicing thrift for the building of the country and the armed forces. We should oppose all indications of corruption and waste.

Internal unity, army-people unity, and international solidarity—which are our armed forces' extremely valuable tradition and which have something to do with its political nature—should constantly be fostered and improved. On the basis of correctly complying with party lines, we should carry out the mottos that cadres and combatants are like "heads and limbs," that troops and people are like "fish and water," and that our armed forces are "very close" to the armed forces and peoples of other fraternal countries. We should renovate our concepts about and our approaches toward mass motivation work. In this, we should not see "mass motivation" in its simple sense and should "make every cadre and soldier a propagandist." While doing mass motivation work, we should seek close cooperation from local party organizations, administrations, and mass organizations as taught by Uncle Ho and should not singlehandedly do the work on behalf of others. All units and cadres of various sectors and echelons should satisfactorily build their localities, especially political organs, in order to contribute to creating a solid and durable political structure for the revolution, for national defense, and for the very cause of building the People's Army.

Over the past less than half a century, our army has carried out unit building and combat activities under very complex, difficult, yet glorious victory-studded situations. The most integrated tradition of our army was described by President Ho Chi Minh as follows: "Our army is loyal to the country, faithful to the party and the people, and ready to fight and make sacrifices for the independence and freedom of the fatherland and for socialism. It can fulfill all assigned missions, overcome all difficulties, and defeat all enemies." This tradition has been displayed throughout the army's 27-year history and is of contemporary significance for guiding all the activities of our Army under the current circumstances of the revolutionary struggle.

On this glorious historic day, let all of the armed forces display their determination to remain always worthy of being a modern army and a sharp political tool of the nation and the Vietnamese working class, of the socialist state, and of the Communist Party of Vietnam. Let our armed forces continue to eternally uphold the banner of national independence and socialism and the banner of Marxism-Leninism and Ho Chi Minh thought. It is certain that our armed forces' determined-to-win banner will not cease to register more victories and successes despite tumultuous developments in the world and despite all the great ordeals now facing our country.

General Recalls 1965 Battle With U.S. Army Unit

First Part

BK2201135192 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 18 Dec 91

[First part of report on "recent" interview with Senior Lieutenant General Nguyen Huu An, former deputy commander of the B-3 Front during the Vietnam war, by correspondent Dang Van Nhung; place not given—recorded]

[Text] Dear comrades and friends: 28 years ago, from 14-17 December 1965, troops of the B-3 Front fought their first battle against the U.S. 1st Air Cavalry Division in the Ya-Prang valley of Plei Mei in the Central Highlands. We Vietnamese soldiers do not want to reminisce on our victory to avoid rekindling the sorrow of those Americans whose sons and brothers were killed there. Recently, however, U.S. Major General Harold Moore, who was then a lieutenant colonel and commanding officer of the 1st Battalion, 3d Brigade, 1st U.S. Air Cavalry Division, got permission to return to Vietnam to meet Viet Cong unit commanders to ask them for information about that battle. This is to help him write a book in the hope of helping those who had fought in the U.S.-Vietnam war or those who have never experienced war to review this one based on its facts.

Recently, our correspondent met and exchanged views with Senior Lieutenant General Nguyen Huu An, former colonel and former deputy commander of the B-3 Front, on the battle at the Ya-Prang valley and on his recent meeting with ex-U.S. Major General Harold Moore.

The following is a recording of that exchange:

[Dang Van Nhung] Dear sir: I learned you recently met a U.S. Army general. As a commander of the renowned Ya-Prang battle in the Central Highlands, could you tell the Radio Voice of Vietnam audience about your meeting?

[Nguyen Huu An] A few weeks ago, I met Major General Harold Moore. At the time of the battle he was a lieutenant colonel and commanding officer of the 1st Battalion, 3d Brigade, 1st Cavalry Division. He is already retired and has been gathering information for a book on battles fought under his command.

The battle in Plei Mei had caused reverberations not only in our country but also in the United States and the rest of the world. It drew reactions from the U.S. President, Defense Secretary McNamara, and General Westmoreland, who all had something to say about this.

The main purpose of General Moore's visit was to ask me to recount the battle in detail and to find out the factors that led to our victory over two U.S. battalions, namely the 1st and 2d Battalions of the 3d Brigade. First, he believed our numerical strength was seven times his. But I told him we had in fact employed only seven companies, including six infantry companies, and that we had only used one battalion to launch a pin-down attack on two other U.S. artillery battalions. He himself admitted the 320th and 33d [Vietcong] regiments had previously encircled and defeated the various puppet combat groups, and that they were stationed far away and not near Chu Prong as reported. I also told him that it is wrong to think that we successsfully wiped out the 1st and 2d Battalions because of our superior numbers.

"As for casualties, the figure he produced was far from the truth. For instance, as far as the 1st Battalion was concerned, he said his battalion suffered 200 casualties, including 79 dead and 121 wounded. This was incorrect and had been provided by a correspondent, Mr. Holloway, who accompanied the 1st Battalion to cover the battle. As for the 2d Battalion, the press and public opinion at the time confirmed that there were 155 dead and 125 wounded. This was something unusual because normally, the number of soldiers wounded in a battle is two or three times larger than those killed in action. At this one, the 2d Battalion with 400 personnel suffered 155 dead and 125 wounded. The U.S. side which provided this was not completely correct, because according to the memoirs of Westmoreland, commander-in-chief of the U.S. forces in South Vietnam, 300 were killed in that battle. The real figure might be much higher.

[Dang Van Nhung] Did Harold Moore refuse to accept his tactical defeat in the first place?

[Nguyen Huu An] According to him, this defeat was more a strategic than tactical failure. I wanted to clarify to him that it made no difference here. But military experts think strategies are fundamental to tactics and battles. When speaking of a campaign, we mean a series of battles. Of these, there may be some key battles conducted at certain times and places to achieve certain objectives. Therefore, one cannot separate strategies from combat campaigns and tactics.

Let me give you this account: As soon as the U.S. heliborne troops of the 1st Battalion landed on 14 December, our soldiers attacked them. We fought until 16 December when the enemy was forced to send in its 2d Battalion to replace the 1st Battalion so that they could return to Pleiku to consolidate, as they had been put out of action. On 17 December, the 2d Battalion withdrew to a nearby base some seven to eight kms from the battle site. As Mr. Harold Moore revealed, our soldiers almost completely destroyed this battalion. Both Mr. Harold Moore and correspondent Holloway admitted that it had suffered great losses. Mr. Moore also admitted that the morale of our soldiers was very high. Our soldiers fought without fear of being killed. This battle was very fierce.

According to correspondent Holloway, it was because of the stupidity of the 2d Battalion's commanding officer that the battalion was lost. The battalion stopped for one hour to interrogate two of our scouts, who were captured while the battalion was retreating. But it could not get any information from them as they were very tough. Despite being tortured, they persistently said they knew nothing. This delay allowed us to attack the battalion.

I told Mr. Harold Moore that it was not completely so. From a high point in Chu Prong, we monitored his troop movements as they retreated. We ordered our 8th Battalion to attack these troops from the north, our 7th Battalion to attack from the south, and a company from the 53d Battalion and another from the 9th Battalion to attack at both flanks. Therefore, even if they quickly moved to another portion of the road, they could not avoid being attacked by our 8th Battalion. This is because they were encircled from all directions.

On this, Maj. Gen. Harold Moore said: Right, I did not know that one of your battalions was attacking us from an opposite direction. Mr. Harold Moore admitted the tactic used by our 8th Battalion to attack his troops was wonderful and that it was because of this that his troops were defeated.

Last Part

BK2201135392 Hanoi Voice of Vietnam Network in Vietnamese 2330 GMT 19 Dec 91

[Second and last part of report on "recent" interview with Senior Lieutenant General Nguyen Huu An, former deputy commander of the B-3 Front during the Vietnam war, by correspondent Dang Van Nhung; place not given—recorded]

[Text] [Dang Van Nhung] You mentioned the morale factor of our combatants. Some people deny this and hold that the material factor is more important. Can you elaborate on the morale factor?

[Nguyen Huu An] I can assure you that no army can underestimate the importance of morale. Lenin also asserted it as one of the decisive factors in any war because victory is after all decided by the state of mind of those shedding blood on the battlefield. Engels also said so. In war, morale can be immediately turned into material strength. Engels added that the high morale and the social and political composition of the army are important factors that affect strategy. Napoleon also said: Three-fourths of victory in combat is dependent on morale while the remaining one-fourth on other factors. British Marshal Montgomery once said: I hold that good morale is an extremely great and unique factor in war. Without high morale no victory could be won, no matter how perfect the strategy or other things.

[Dang Van Nhung] How was this morale manifested in the Ya Prang battle ?

[Nguyen Huu An] Major General Harold Moore himself was interested in this. He asked me how our troops came to have such high morale. Briefly, I told him that we educated our troops on patriotism and love for the people and stoked a hatred for the enemy. These two sentiments combined to become the mental strength that could defeat any aggressor. During that battle, I remember a slogan saying: Search for and kill the Americans, attack them at first sight and cling to their backs and beat them. Our combatants understood and learned this slogan by heart. This is an indispensable factor for any army. In a revolutionary army like ours, we treasure it. This does not mean that we think weapons and equipment are unimportant. The strength of an army comes from two factors—equipment and morale. Morale means man plus equipment, weapons, tactics, technical knowledge, and also the commanders' ability and knowlege about securing material bases, and so on. Yet, the two most decisive factors are morale and ability, which I consider as very important.

[Dang Van Nhung] How and what do you think we should do to build our troops' morale, with the present conditions of our society?

[Nguyen Huu An] This is really [break in tranmission for about two seconds] somehow tense among the command cadres. Modern equipment is necessary for an army. We are also modernizing because our army has been built on the basis of standard revolutionary orientations and gradual modernization. We cannot overlook the morale factor when talking about modernization. I think any army must attentively educate and imbue troops with high morale. As we have peace now, we must pay all the more attention to this. I, of course, do not play down on the technical and other factors such as equipment. However, the equipment is useless and we cannot defeat the enemy without good morale, an aggressive spirit, or hatred for the enemy. Military and political cadres, especially command cadres, must pay the most attention to educating troops on the will to fight. We must have firm morale and determination to overcome difficulties in combat. This we must all learn by heart.

[Dang Van Nhung] During your meeting with Harold Moore, did you notice that he recognized this?

[Nguyen Huu An] He certainly did. He asked me: How did you imbue your troops with such potent and courageous combat morale? Your troops had no fear of death. They flung themselves at the enemy and attacked them. I also told him: Our forces were much inferior to yours. Our company could not match the number of officers and soldiers of your two battalions. But we had high morale. I also told you many of your statements were untrue. You thought we had many weapons including antiaircraft guns. I tell you honestly that even if I only had 12.7mm rifles and not the 37mm guns which you feared, you certainly could not escape death because we would have shot down all your planes. Harold Moore admitted that it was true that if we had 12.7mm rifles, they certainly would not have been able to run away. Here I must mention that Mr. Harold Moore had served with and was well respected by Mr Westmoreland. I know this because in 1982 I read Mr. Westmoreland's memoirs. We Vietnamese usually called him—a first lieutenant then—a spoiled son of Westmoreland. I also asked him to tell Mr. Westmoreland that some of his criticism against journalists in his memoirs are incorrect because what they have reported is true.

For example, Mr. Westmoreland said journalists lied in reporting that the 4th Division had been tricked. I can confirm that the journalists spoke the truth because you people had been tricked into following our plan. Your battalions entered the X or Y points as we had planned. Even at Plei Mei, you people said this was an engagement. This was not so. After defeating some of the puppet battle groups, we knew for sure that U.S. troops would come. So, we deployed a regiment there. Here I want to correct some issues for you. Here is Mr. Holloway, a journalist, who was there and who saw what happened.

Mr. Holloway asked whether I knew about Lieutenant Colonel Schwarzkopf. I asked him whether Schwarzkopf was the commander-in-chief in the Gulf War in Iraq and he confirmed it. I told him: Schwarzkopf was a captain then and was an advisor to a parachute battalion involved in this battle. He was instrumental in the establishment of 3/20 Regiment.

I only want to recount some of the developments of the battle. Although you (Holloway) were our adversary then, you are welcomed here now. Yet, I hope you will write a book truthfully about what you and I have exchanged so that it will be educational for our children and will not stir up hatred. The war has caused great losses and deaths to countless American and Vietnamese families. However, I for one will tell you that you still are not our friend. I do hope, however, that you will become one later on. Through your visit to Vietnam, I hope you have seen how the Vietamese people have treated you. I hope once you are back home, you will ask the U.S. Government and people not to adopt hostile measures like the economic embargo. To be more correct, hatred should have been nurtured by the Vietnamese people. The Vietnamese people have done nothing wrong to the American people. Instead, the United States refuses to heal the wounds of war and imposes an economic embargo against us and causes us difficulties. So, when you go home, I hope you will try all means and succeed in convincing the U.S. Government and people, especially those influential circles, to lift the embargo.

He then promised to do so.

[Dang Van Nhung] Thank you, comrade.

New Zealand

Bolger Criticizes Australian Economic Policies

BK2701090092 Hong Kong AFP in English 0749 GMT 27 Jan 92

[Text] Wellington, Jan 24 (AFP)—Prime Minister Jim Bolger said Monday Australia was a good example of the failure of an economic policy based on spending, in a rare comment by a New Zealand premier on Australian domestic politics.

Bolger, under pressure to bring in a tax increase instead of imposing a part-charging regime in the previously free public hospitals, said those who believed in a tax hike or borrowing to get out of difficulties need only look at Australia "to see the results if you do".

Bolger said Australian Prime Minister Paul Keating's declared intention to stimulate the economy by spending had caused distress on financial markets and made Canberra act quickly to stop a sharp interest rate rise.

"It is a very sharp lesson to New Zealanders," Bolger told a post-cabinet press conference. "If they believe there is a simple way of spending our way ahead and just ignore the fundamentals of the economy they are wrong.

"If they want to get confirmation of that error in their thinking, look to Australia and they will have it very, very clearly put in front of them."

Trade Surplus Reaches $1.1 Billion in 1991

BK2401074092 Hong Kong AFP in English 0703 GMT 24 Jan 92

[Text] Wellington, Jan 24 (AFP)—New Zealand had a trade surplus of 2.1 billion dollars (1.1 billion U.S.) in 1991, the Statistics Department said here Friday.

It represented a sharp increase from 1990, when the country posted a 19.7-million dollar (10.6-million U.S.) surplus.

Exports in 1991 were worth a record 16.6 billion dollars (8.9 billion U.S.), with big increases in sales of dairy products including butter, milk cream, cheese and caseinates, as well as apples, surimi, wood, beef, steel and fish.

Fish exports were the star performer, with exports increasing 33 percent.

Trade Minister Philip Burdon said the figures reflect the underlying strength of New Zealand's export-led recovery, despite generally sluggish world demand. He said the most significant aspect was that the trend towards increased exports appears to have stabilised.

Papua New Guinea

Bougainville Rebels Begin Radio Broadcasts

BK2601104492 Hong Kong AFP in English 1005 GMT 26 Jan 92

[Text] Honiara, Jan 26 (AFP)—The self-styled interim government on the island of Bougainville has set up a privately sponsored radio station to beat the communications blockade imposed by the government of Papua New Guinea.

The station, Radio Free Bougainville (RFB) is broadcasting out of Arawa in the central part of the secessionist island, 800 kilometres (500 miles) northeast of Port Moresby.

In its first broadcast, monitored in the Solomon Islands on Saturday, RFB described itself as "a humanitarian communication facility to reach the island's 160,000 people and other parts of the world."

RFB claims its frequency can be picked up by listeners in America, Asia, Pacific, Africa and Europe.

Most of its first bulletin centred on a claim that the Papua New Guinea government had landed 500 troops Saturday at Wakunai, about 50 kilometres (30 miles) northwest of Arawa.

It called on members of Bougainville Republican Army (BRA) to mobilise in case of invasion.

The interim government said the station was financed from aid money given by church groups in Australia and Fiji.

"The people of Bougainville, after three years of being silenced, now have their own independent voice which can be heard by the international community," the interim government said in a statement.

Bougainville, riven by secessionist rebellion for three years, is still largely rebel dominated.

Port Moresby imposed a communications and economic blockade after rebels declared independence in May 1990.

In the meantime, the BRA has accused the Papua New Guinea Government of being completely misinformed about the existence and purpose of the Bougainville coordinating office in Honiara, the Solomon Islands capital.

Port Moresby has strongly protested to Honiara about the existence of the office, accusing the BRA of using the office to spread its propaganda in the Solomons and demanding its immediate closure.

Honiara has denied any knowledge of the office.

However, the BRA says the office largely fulfils the humanitarian needs of the people on Bougainville, especially when Papua New Guinea continues to impose an economic blockade.

"The office also helps to facilitate the social and economic needs of the innoLcent people on the island," the BRA said.